

**TOWN OF GILBERT
PLANNING COMMISSION - STUDY SESSION**

**Council Chambers
50 E. Civic Center Drive, Gilbert, AZ
March 4, 2020**

COMMISSION PRESENT:

Brian Andersen, Chair
Carl Bloomfield, Vice Chair
David Cavenee
Noah Mundt
Scott September
Jän Simon
Les Smith
Philip Alibrandi, Alternate
Nathan Mackin, Alternate

STAFF PRESENT:

Sydney Bethel, Planner II
Stephanie Bubenheim, Planner II
Ashlee MacDonald, Senior Planner
Keith Newman, Planner II
Amy Temes, Senior Planner
Catherine Lorbeer, Principal Planner
Eva Cutro, Planning Division Manager
Nancy Davidson, Assistant Town Attorney

COUNCIL LIAISON PRESENT:

Brigitte Peterson

RECORDER:

Dana Desing

CALL TO ORDER

Chair Brian Andersen called the Planning Commission Study Session to order at 5:03 p.m.

- 1. DR20-08 VERDE AT COOLEY STATION PHASE IV BUILDING A: Site plan, landscaping, grading and drainage, elevations, floor plans, lighting, and colors and materials for approximately .45 acres, generally located west of the southwest corner of Recker and Williams Field Roads, and zoned Gateway Business Center with a Planned Area Development (PAD) overlay.**

Planner Stephanie Bubenheim presented DR20-08 Verde at Cooley Station Phase IV Building A. The Verde at Cooley Station area is located at the southwest corner of Recker and Williams Field Roads. Verde at Cooley Station has gone through several phases of development for this commercial center and Phase IV is located in the northwest portion of the site. In January, the Planning Commission approved Phase III for the parking lot just south of Building A (Phase IV) and the buildings to the east (B1, B2, C and E).

Ms. Bubenheim reviewed the Project Data Table outlining the different phases. The subject site is just under half an acre of the entire site. The request is for a three-story medical office building with a total of 38,678 square feet and a height of 48 feet. This is the tallest building to date of the Verde at Cooley Station project. Some of the right-of-way improvements are already in place along Williams Field Road. There is a required pedestrian landscape and sidewalk tract of 18 feet. In the Gateway Village Center (GVC), it is required to have 75% of the building at the zero-foot build-to-line. The site plan shows the building is right up to that line and there are also recessed entrances on the north along Williams Field and on the south to the parking lot. To the west, the build-to-line is required for Verde Drive as well. Staff has requested to modify a portion of the building to meet that build-to-line requirement. The applicant is providing some landscaping around the perimeter of the building. There is existing landscaping along Verde and Williams Field Roads from the previous phases. To the east, a pedestrian node area will be provided with Chinese Pistache trees and benches. Staff's first review comments included modifying the frontage landscaping along Williams Field Road to reflect

more of a downtown streetscape feel as well as additional sidewalk along the building instead of just at the main entrance to reflect the other buildings to the east.

Colors and materials include plaster as the main body material and brick similar to the Fuego Red as staff has requested with much of this development. The two main entrances will feature a metal canopy that does overhang into the landscape tract, which staff has encouraged in order to activate that space. All three floors have windows and staff has requested that additional windows be incorporated along the bottom floor. The applicant did decrease the mullions to accommodate that request. The south elevation faces the parking lot and transitions from the brick to plaster. Metal details are used along the first floor to try to activate the pedestrian level. The renderings show a heavier banding along the top of the building reminiscent of a more traditional feel of a downtown building. The building will have an elevator and two stairways. As medical users come in, they will build to suit with tenant improvements. Due to the storefront windows at the main entrance, the lighting will be above 14 feet. Staff has two additional Findings of Fact to be included in the approval stating that the lighting is above the requirement but that it meets the intent as an architectural feature.

Staff is requesting input from the Commission on the design of the building, articulation, and landscaping.

COMMISSION QUESTIONS/COMMENTS:

Commissioner Simon liked the building but thought it had a little bit of an institutional look and that some of the articulation was lost. He was not sure how that could be changed, but because it is so big and square, he felt it did not really fit with some of the other construction going on in the area. He was fine with everything else in the project.

Commissioner Cavenee asked about the finishes on the buildings that have already been approved. Ms. Bubenheim advised that the other buildings have stucco, different colors and styles of brick, and a lot of metal accents.

Commissioner Cavenee asked if all of the street lighting and parking lot lighting had been approved with the rest of the parcel so none of that has to go in with this building. Ms. Bubenheim stated that was correct. The only lighting needed would be on the actual building.

Commissioner September felt it was difficult to take a 40,000 square foot box and make it look interesting, but he thought the applicant did a really nice job. He liked how each floor was a little bit different aesthetically as well as the mixed use of the brick and stucco and how it articulates in different places in the elevations.

Commissioner Cavenee noticed all of the sign bands on the building and asked if staff had looked at the signage yet. The sign bands seem to be random across the façade. Ms. Bubenheim stated the signage is yet to be determined. Staff has provided the applicant with the code regulations and they still need to go through a sign program for exact placement. Staff suggested that the applicant note all of the possible sign bands so that it will be easier to work with in the future when tenants do come in.

Commissioner Cavenee has seen a few buildings in the Valley that are substantially oversigned with tenant signage on the façade. He was a little concerned given how many bands they have dedicated here for signage.

Chair Andersen echoed Commissioner September's comments regarding the elevations.

2. DR20-13 LIFETIME SOUTH GILBERT: Site plan, landscape, grading and drainage, elevations, floor plans, lighting, and colors and materials for approximately 17.85 acres, generally located at the southwest corner of Ocotillo Road and Val Vista Drive, and zoned Single Family - 35 (SF-35), pending a rezone to General Commercial (GC) with a Planned Area Development (PAD) overlay under case Z19-27.

Senior Planner Ashlee MacDonald presented DR20-13 Lifetime South Gilbert. The Planning Commission heard this item last month in Study Session for the rezone and General Plan Amendment. The case presented tonight is for the Design Review portion including the site plan, landscape, and elevations. The site is located at

the southwest corner of Ocotillo Road and Val Vista Drive and is currently zoned Residential. The applicant is seeking a rezone to Commercial to allow the proposed use. The site will have two full motion access drives off of Ocotillo Road and a full motion drive as well as a right-in, right-out off of Val Vista Drive. The building is located on the south side of the parcel with parking located along Ocotillo Road. The outdoor amenities are located on either side of the building with courts on the east side and a pool on the west side of the building. The applicant is requesting a deviation for the height to accommodate the second-floor basketball court and entry feature where the height would exceed the 45-foot maximum height in this zoning district. The applicant has proposed 54 feet in those two locations. The stairwell is located at the rear of the building. There is a required step-back of 10 feet where the building exceeds 35 feet within 100 feet of residential. A small portion of the building is within 90 feet of residential and the applicant is requesting a decrease in that requirement.

The applicant is providing considerable landscaping around the site. There is a 75-foot side and rear landscape setback. The applicant is providing arterial intersection landscaping and pedestrian pathways through the parking lot with shade and landscaping. Staff has noted that there is no landscaping outside of the courts. Staff will provide comments to the applicant to try to provide landscaping along the exterior of the fence for the courts. The site does have a good amount of foundation landscaping around the building. The proposed colors and materials include five different colors of EIFS, natural limestone, and bronze metal panels to break up the window massing. There is a lot of vertical and horizontal movement within the building. Staff is pleased with the diversity in the colors and materials and the large storefront windows that provide interest. Staff has noted that the exposed stairwells will need to be revised as they are not allowed. Ms. MacDonald pointed out the stairwell that encroaches into the 100-foot area that would require a step-back in this zoning district.

Staff looked to the Commission for overall feedback on the Design Review application. The applicant is seeking construction documents at risk if the zoning is approved.

COMMISSION QUESTIONS/COMMENTS:

Vice Chair Bloomfield was excited for this project in south Gilbert and felt it will be a welcome opportunity. He liked the building as far as Design Review and the landscaping and everything else looked nice. It will be a nice jewel for the area and he looked forward to seeing it come forward.

Commissioner September noted there is a Lifetime Fitness facility outside of his subdivision and they have been an excellent neighbor for the past 15 years. That facility has an enormous amount of landscaping which is maturing nicely. Once in a while their crew trims everything back making the plants look smaller, but they do a nice job. He was glad to see this development.

Chair Andersen asked about the location of the exposed stairwell. Ms. MacDonald made a correction that it was actually roof ladders and not stairs. The Town does not allow exposed roof ladders to be visible from the public. She noted if that was placed on the back of the building, it would be visible to the residential lots that will develop to the south. Staff is open to different screening methods and will work with the applicant on how to lessen the visual impact.

Commissioner Mundt asked if the nearby existing Lifetime facility had an external staircase that they were able to mask or was it placed on the interior of the building. Ms. MacDonald will research that.

Chair Andersen stated the exposed roof ladder did not personally bother him. If the Commission will allow the deviation for height, he would also allow a provision for the roof ladder, if possible.

Commissioner Cavenee asked if there was any way to reposition the building so that the height would be acceptable rather than needing a variance. Ms. MacDonald stated in terms of exceeding the maximum height, the applicant would have to rezone to a different zoning category. Repositioning the building would not help with that. In terms of not requiring a step-back, they are only off by about 8 feet. There may be some opportunity, but they have requested a deviation for it. It is a portion of the building without any windows that people will not actually occupy. That is why staff is comfortable with the request.

Commissioner Cavenee asked if the adjacent residential might be concerned with the loss of the view. Ms. MacDonald stated there is no adjacent residential at this time.

Vice Chair Bloomfield asked about the parking calculations for a building of this size. Ms. MacDonald stated the applicant is currently going through the exercise of how they may calculate this use. Lifetime is a unique facility in that it offers a variety of services not typical of a gym. Under a strict application of the code requirements under Entertainment and Recreation Facilities, they do not meet the parking requirements. The applicant is looking at opportunities to separate out the office space and some of the other facilities offered in order to calculate those portions differently for parking.

Vice Chair Bloomfield asked if the existing Lifetime facility has ever maximized their parking to where it was overflowing. Ms. MacDonald stated the existing Lifetime site is a little different because it does not stand alone but there are other commercial users on the site, so it is hard to compare. That facility was built under a different code. She was unsure what those code requirements were compared to what they are today.

Vice Chair Bloomfield suggested asking that facility if they have ever run out of parking. He was concerned with requiring an extraordinary amount of parking that would never get utilized. He would be lenient in that regard.

Chair Andersen asked by how many spaces would the project be short according to the LDC. Ms. MacDonald stated the parking calculation was not provided in the current submittal because that is still being worked through.

Commissioner Smith noted that these facilities have unique hours of operation from early in the morning to late at night. He asked if the hours of operation were taken into consideration in the parking calculations. Ms. MacDonald stated the parking code does not take that into consideration. There is the opportunity for an applicant to apply for a Use Permit that would grant some shared parking if there was an adjacent user. This site is a little more difficult because it stands alone. There is nowhere for parking to overflow if enough is not provided and vehicles may end up in the neighborhood.

Commissioner September noted with the Lifetime facility near his home, the only time he has ever seen the parking lot absolutely full was in the month of January and then it tapers off.

Ms. MacDonald added that staff does not have the ability to be lenient on the parking requirements. Where there is some wiggle room is how that is calculated, such as allowing the office space to be counted separately as it has different regulations.

Chair Andersen asked if the LDC allowed for the parking calculation to be pieced together as a mixed use. Ms. MacDonald advised that there have been other situations where portions of a building were allowed to be different uses. That is the direction being taken here.

Chair Andersen felt most of the building would fall under an assembly use and that would translate over to the parking as well. It will be interesting to see how they craft that calculation. Unfortunately, the 150 spaces they need may have to go to the area dedicated for their tennis and pickleball courts.

Ms. MacDonald advised that the site is being parceled off for this use. It is not an infill site and it is not going on an existing parcel. They are taking a 17-acre portion out of a larger piece. That is a consideration as well.

Chair Anderson asked if that was a consideration of them purchasing more land. Their finances are based off of a certain acreage that they are buying. Ms. McDonald was not saying that we are forcing them to buy more acres, but something that we evaluate is whether a proposal would overbuild a site.

Vice Chair Bloomfield felt it looked like a massive amount of parking for this facility, maybe even overkill. It is a unique facility. He asked what can be done in regards to the code to be able to allow unique users some leniency. He has been constrained by overbuilding something because the code required it, even though it made no sense. To waste the effort and dollars and resources is not a good plan. If the parking for the existing

Lifetime facility has only been full in the month of January, perhaps there is some way to make it work and to not force something that will never be needed.

3. DR19-194 ACACIA OFFICE: Site plan, landscaping, grading and drainage, elevations, floor plans, lighting, and colors and materials for approximately 0.56 acres, generally located 1250 North Acacia Drive, and zoned Light Industrial (LI) with a Planned Area Development (PAD) overlay.

Planner Sydney Bethel presented DR19-194 Acacia Office, located at Baseline Road and Hobson Street in the East Valley Commerce Center. This is an infill piece located in the southern portion of the Center and is one of the four spaces left in the Center that was originally approved in the 1980's. This project has gone through a second review and there are only minor staff comments that are outstanding. This has been approved by other departments and there is one minor outstanding traffic comment that was approved with markups. The applicant is proposing to build an office and warehouse facility of approximately 4,720 square feet. The front portion would be a 2,000 square foot office with the remaining rear area for warehousing with loading bays. There is one point of access off of Acacia Drive with a gate leading to additional parking and the warehouse loading area. There was a similarly approved design review with a similar use and layout that was approved back in 2015 that was never constructed. That approval expired last year.

The proposed colors and materials are primarily masonry with a gray finish, red brick, metal, gray Hardie board, and wood accents. The front elevation will face Acacia Drive with a unique design for an office/warehouse building. This area follows the standard Industrial Design Guidelines. A rendering was provided to show what the building will look like. Staff's only outstanding comment on the elevations is the request for the applicant to reassess the posts and proportions or angles for the canopy.

Staff is requesting general feedback from the Commission regarding the site plan and elevations. The applicant is pursuing construction documents at risk.

COMMISSION QUESTIONS/COMMENTS:

Commissioner Simon liked the concept of the building and loved the look. He did not feel the applicant was asking for anything extraneous.

Commissioner September agreed with Commissioner Simon. He noted on the west elevation there was a canopy over one of the bay doors, but not the other. Ms. Bethel did not know why there was only one canopy, but she will ask the applicant.

Commissioner Smith asked if the concern of staff was the angle of the columns. Ms. Bethel stated the angle of the canopy along the front is such that it almost touches the building. Staff was uncomfortable with the harsh steep angle along the front of the building and asked the applicant to find a better way to display that feature. The applicant has sent examples of different options for that type of design.

Commissioner Mundt asked about the massive open asphalt area by the loading zone and what they would be loading. Ms. Bethel stated that was addressed in the first review, although she did not remember the response. She assumed since it is warehousing, it would be a space not dedicated to employees where people could come in and out to load items.

Vice Chair Bloomfield asked if the applicant would be the end user or if this was a spec building. Ms. Bethel stated the applicant did not indicate if they would be the end user. Since they are calling it Acacia Office based off of the street, they are not necessarily the end user. Vice Chair Bloomfield felt it would have helped to know who would occupy the building.

Commissioner Cavenee liked the columns and the wood finish. He understood it will be a warehouse use, but the west and north elevations truly look like a box with a western storefront tacked on. The parapet elevation does not change at all. He felt it may look better with a little variation on the parapet beyond the frontage façade. Otherwise, he agreed with the other comments from the Commission.

Chair Andersen noted on the bottom right of the site plan at the access gate, there is a note that states No Fire Truck Access Beyond this Point. He asked what that means. Ms. Bethel stated the plan has been approved by Fire and all of their comments were addressed in the first review. She will verify the purpose of that language as Fire would need access.

Chair Andersen noted just past the gate there are trash enclosures. The refuse trucks would need access to collect the trash, but to have no Fire access there seemed odd. It may have been overlooked.

4. Discussion of Regular Meeting Agenda: It was suggested to consider moving the following items to the Consent Calendar if there were no requests to speak from the public: Items 14. GP19-08 and 15. Z19-20, The Carson; 18. GP19-10, 19. Z19-22 and 20. DR19-152, The Bungalows on Ray; 21. GP19-04 and 22. Z19-13 Mercy Val Vista Center. The Commission agreed.

ADJOURN STUDY SESSION

Chair Andersen adjourned the Study Session at 5:40 p.m.

Brian Andersen, Chairman

ATTEST:

Dana Desing, Recording Secretary

TOWN OF GILBERT
PLANNING COMMISSION - REGULAR MEETING
Council Chambers
50 E. Civic Center Drive, Gilbert, AZ
March 4, 2020

COMMISSION PRESENT:

Brian Andersen, Chair
Carl Bloomfield, Vice Chair
David Cavenue
Noah Mundt
Scott September
Jän Simon
Les Smith
Philip Alibrandi, Alternate
Nathan Mackin, Alternate

STAFF PRESENT:

Sydney Bethel, Planner II
Stephanie Bubenheim, Planner II
Ashlee MacDonald, Senior Planner
Keith Newman, Planner II
Josh Rogers, Planner II
Amy Temes, Senior Planner
Catherine Lorbeer, Principal Planner
Eva Cutro, Planning Division Manager
Nancy Davidson, Assistant Town Attorney

COUNCIL LIAISON PRESENT:

Brigitte Peterson

RECORDER:

Dana Desing

PLANNER	CASE	PAGE	VOTE
Amy Temes	8 DR19-178	3	Approved
Josh Rogers	9 DR19-99	3	Continued
Stephanie Bubenheim	10 UP19-35	3	Approved
Stephanie Bubenheim	11 DR19-109	4	Approved
Ashlee MacDonald	12 UP19-53	6	Approved
Ashlee MacDonald	13 DR19-189	6	Approved
Keith Newman	14 GP19-08	9	Approved
Keith Newman	15 Z19-20	9	Approved
Amy Temes	16 GP19-05	13	Approved
Amy Temes	17 Z19-15	13	Approved
Keith Newman	18 GP19-10	28	Approved
Keith Newman	19 Z19-22	28	Approved
Keith Newman	20 DR19-152	32	Continued
Keith Newman	21 GP19-04	4	Approved
Keith Newman	22 Z19-13	4	Approved

CALL TO ORDER OF REGULAR MEETING

Chair Brian Andersen called the Planning Commission Regular Meeting to order at 6:02 p.m.

PLEDGE OF ALLEGIANCE

Chair Andersen led the Pledge of Allegiance

ROLL CALL

Recording Secretary Dana Desing called roll and determined that a quorum was present.

5. APPROVAL OF AGENDA:

There was discussion in the Study Session to move several items to the Consent Agenda if there were no requests to speak from the public. There was a request to speak on items 12. UP19-53 and 13. DR19-189, Sana Behavioral Hospital, and those items will be moved from the Consent Agenda to the Non-Consent Agenda. There were also requests to speak on Public Hearing (Non-Consent) Items 14. GP19-08 and 15. Z19-20, The Carson, 16. GP19-05 and 17. Z19-15, PB Bell Gilbert Commons, 18. GP19-10, 19. Z19-22, and 20. DR19-152, The Bungalows on Ray. Those items will remain on the Non-Consent Agenda. There were no requests to speak on Items 21. GP19-04 and 22. Z19-13, Mercy Val Vista Center, and those items will be moved from the Non-Consent Agenda to the Consent Agenda.

Chair Andersen called for a motion to approve the agenda, moving Items 12. UP19-53 and 13. DR19-189, Sana Behavioral Health, to the Non-Consent Agenda, and moving Items 21. GP19-04 and 22. Z19-13, Mercy Val Vista Center, to the Consent Agenda, as discussed.

MOTION: Vice Chair Bloomfield moved to approve the Agenda with the recommended changes; seconded by Commissioner Mundt. **Motion passed 7-0.**

COMMUNICATIONS

6. COMMUNICATION FROM CITIZENS:

At this time, members of the public may comment on matters within the jurisdiction of the Town but not on the agenda. The Commission/Board response is limited to responding to criticism, asking staff to review a matter commented upon, or asking that a matter be put on a future agenda.

There were no requests to speak.

7. REPORT FROM COUNCIL LIAISON ON CURRENT EVENTS:

Councilmember Brigitte Peterson announced that the Gilbert Outdoors Expo will be held on Saturday, March 7, 2020 from 9 a.m. to 2 p.m. at the Riparian Preserve. The event will include a dino crew, ropes course, outdoor cooking, axe throwing, log rolling, bird watching and other outdoor activities.

On Saturday, March 7, 2020, 9-11 a.m., Fire Station #8 at 1095 East Germann Road will commission two new red engines. This interactive event will push the old engine out and the new engines into the station.

Councilmember Peterson reported that one Councilmember has stepped down. The application process closed today with 105 applicants. Interviews will be held and that seat will be placed on March 17, 2020. There is potential for two more seats to open in the near future, including Councilmember Petersons as she will be stepping down from the Council.

Tonight will be the last Planning Commission meeting for Commissioner Les Smith as he will be resigning to go on a mission with his family. Councilmember Petersen presented Mr. Smith with a gift in honor of his years of service to the Town of Gilbert.

PUBLIC HEARING (CONSENT)

All items listed below are considered the public hearing consent calendar. The Commission may, by a single motion, approve any number of items where, after opening the public hearing, no person requests the item be removed from the consent calendar. If such a request is made, the Commission shall then withdraw the item from the public hearing consent calendar for the purpose of public discussion and separate action. Other items on the agenda may be added to the consent calendar and approved under a single motion.

Chair Andersen read the Public Hearing (Consent) items and noted that Item 9. DR19-99 Milling Machinery will be continued to the April 1, 2020 Planning Commission public hearing.

- 8. DR19-178 GILBERT MEDICAL OFFICE BUILDING: Site plan, landscaping, grading and drainage, elevations, floor plans, lighting, and colors and materials for approximately 2.52 acres, generally located north of the northeast corner of Rome and Melrose Streets and zoned General Office with a Planned Area Development (PAD) overlay.**

STAFF RECOMMENDATION

Approve the Findings of Fact and approve DR19-178, Gilbert Medical Office: site plan, landscape, grading and drainage, elevations, floor plans, lighting, colors and materials for approximately 2.52 acres, generally located north of the northeast corner of Rome and Melrose Streets and zoned General Office (GO) with a Planned Area Development (PAD) overlay, subject to conditions:

1. Construction of the project shall conform to the exhibits approved by the Planning Commission at the March 4, 2020 public hearing.
2. The construction site plan documents shall incorporate the Standard Commercial and Industrial Site Plan Notes adopted by the Design Review Board on March 11, 2004.
3. Signage is not included in this approval. Administrative Design Review approval is required prior to submitting for sign permits.
4. The sidewalk depicted along the east driveway easement shall be deleted in order to match existing improvements in which no sidewalks were required.
5. The ADA ramps shall depict the truncated domes, so the ramps locations are identified per MAG detail 236-3.
6. Sight Visibility Triangles will be depicted on the Landscape Plan per Town of detail GIL-212 with a design speed of 30mph.
7. Construction documents shall match the as-built improvements at the shared access along the southeast corner of the site.

- 9. DR19-99 MILLING MACHINERY: Site plan, landscape, grading and drainage, elevations, floor plans, lighting, colors and materials, for approximately 2.17 acres, generally located south of the southeast corner of McQueen and Baseline Roads, and zoned General Industrial.**

STAFF RECOMMENDATION

Move to continue DR19-99, Milling Machinery to the April 1, 2020 Planning Commission public hearing.

- 10. UP19-35 QUINTANA AT VERDE: Request to approve a Conditional Use Permit for approx. 4.4 acres located south of the southeast corner of Verde Drive and Williams Field Road to allow residential units on the ground floor in the Gateway Village Center (GVC) zoning district.**

STAFF RECOMMENDATION

Make the Findings of Fact and approve UP19-35, Quintana at Verde: a Conditional Use Permit for approx. 4.4 acres generally located south of the southeast corner of Verde Drive and Williams Field Road, to allow residential units on the ground floor in the Gateway Village Center (GVC) zoning district with a Planned Area Development (PAD) overlay, subject to conditions.

1. The Project shall be in substantial conformance with the site plan, elevations, renderings, and floor plans shown on the Exhibits provided under Attachment Nos. 5, 6, 7. The approval of UP19-35 is contingent upon the approval of DR19-109.
2. All ground level units shall have direct ingress/egress access from the exterior patio.
3. The developer is encouraged to effectively manage the availability of parking spaces by limiting garages to vehicular parking spaces within tenant lease agreements.

- 11. DR19-109 QUINTANA AT VERDE: Site plan, landscape, grading and drainage, elevations, floor plans, lighting, colors and materials for approximately 4.44 acres, generally located south of the**

southeast corner of Verde Drive and Williams Field Road, and zoned Gateway Village Center (GVC) with a Planned Area Development (PAD) overlay.

STAFF RECOMMENDATION

Approve the Findings of Fact and approve DR19-109, Quintana at Verde: site plan, landscape, grading and drainage, elevations, floor plans, lighting, colors and materials for approximately 4.44 acres, generally located south of the southeast corner of Verde Drive and Williams Field Road, and zoned Gateway Village Center (GVC) with a Planned Area Development (PAD) overlay, Subject to conditions:

1. Construction of the project shall conform to the exhibits approved by the Planning Commission at the March 4, 2020 public hearing.
2. The construction site plan documents shall incorporate the Standard Commercial and Industrial Site Plan Notes adopted by the Design Review Board on March 11, 2004.
3. Signage is not included in this approval. A Gateway Sign Plan will be required prior to permitting.
4. The Emergency Access Easement, as shown on the approved site plan, shall be recorded on the final plat.
5. The Emergency Access Easement shall be a mountable curb with decorative stamped concrete.
6. Prior to construction document (CD) submittal, the applicant shall provide Planning Staff revised elevations fully screening roof-mounted mechanical units and parapets wrapping back two feet (2').
7. Prior to construction document (CD) approval the applicant shall submit to Planning Staff plans for the Landscape and Pedestrian Access Easement including but not limited to pedestrian and bicycle pathways, landscape, lighting, and amenity improvements such as benches and trash receptacles for the pedestrian connection corridor.
8. The developer is encouraged to effectively manage the availability of parking spaces by limiting garages to vehicular parking spaces within tenant lease agreements.

21. GP19-04 MERCY VAL VISTA CENTER: Request for Minor General Plan amendment to change the land use classification of approx. 11.34 acres generally located at the Southeast corner of Val Vista Dr. and Mercy Rd. from General Office (GO) to approx. 5.08 acres of General Commercial (GC) and 6.26 acres of Business Park (BP) land use classification.

22. Z19-13 MERCY VAL VISTA CENTER: Request to rezone approx. 11.34 acres generally located at the Southeast corner of Val Vista Dr. and Mercy Rd. from General Office (GO) to 5.08 acres of General Commercial (GC) and 6.26 acres of Business Park (BP) zoning district with a Planned Area Development (PAD) overlay.

STAFF RECOMMENDATION

- A. Recommend to the Town Council approval of GP19-04, to change the land use classification on approx. 11.35 acres, generally located at the southeast corner of Val Vista Dr. and Mercy Rd. from General Office (GO) to approx. 5.08 acres of General Commercial (GC) and 6.26 acres of Business Park (BP) land use classification; and
- B. For the following reasons: the development proposal conforms to the intent of the General Plan and can be appropriately coordinated with existing and planned development of the surrounding areas, and all required public notice and meetings have been held, the Planning Commission moves to recommend approval of Z19-13 rezoning approx. 11.35 acres, generally located at the southeast corner of Val Vista Dr. and Mercy Rd. from General Office (GO) to 5.08 acres of General Commercial (GC) and 6.26 acres of Business Park (BP) zoning district with a Planned Area Development (PAD) overlay, subject to the following conditions:
 - a. Dedication of a privately-owned roadway easement or tract for the Maplewood Road alignment adjacent to the Property shall be completed prior to or at the time of recordation of the final plat or sooner as required by the Town Engineer. Dedication of Maplewood Road shall extend a minimum of 25 feet from the property monument line.

- b. Construction of off-site improvements to Val Vista Drive, Mercy Road and Maplewood Road adjacent to the Property shall be completed prior to issuance of a certificate of occupancy or final approval of any building constructed on the Property or at the time requested by Gilbert, whichever is earlier.
- c. At the written request of Gilbert, Developer shall dedicate all necessary easements for the roadway improvements, including easements for drainage and retention and temporary construction easements. Failure to dedicate said easements within thirty (30) days after the date of Gilbert's written request may result in the reversion of the zoning of the Property to the prior zoning classification.
- d. Developer shall create a Property Owner's Association (POA) for the ownership, maintenance, landscaping, improvements and preservation of all roadway easements, common areas, open space areas, and landscaping within the rights-of-way.
- e. Developer shall record easements to be owned by the POA for pedestrian, bicycle or trail system purposes as shown on the approved site plan, at the time of final plat recordation, or earlier if required by the Town Engineer. In recognition of the modifications to the underlying zoning regulations set forth herein, such easements shall be open to public access and use.
- f. Prior to final plat approval, Developer shall pay for its proportional share of water and sewer mains benefitting the Property, as required by the Town Engineer.
- g. The Project shall be developed in conformance with Gilbert's zoning requirements for the zoning districts and all development shall comply with the Town of Gilbert Land Development Code, except as modified by the following:

Site Development Regulations	Proposed GC/PAD and BP/PAD
Minimum Building Setbacks (ft.)	
Side (Street)	0' (Mercy Rd.)
Minimum Required Perimeter Landscape Area (ft.)	
Side (Street)	0' (Mercy Rd)
Side (Nonresidential/Commercial)	0' (Southern Boundary)
Rear (Nonresidential/Office)	10' (Eastern Boundary)
Minimum Building & Landscape Setbacks from interior lot lines	Building setbacks and landscape areas (internal to an approved Master Site Plan, commercial subdivision or Development Plan) may be reduced or eliminated, provided the project meets the Town of Gilbert Commercial and Industrial/Employment Design Guidelines and pedestrian paths, vehicular connectivity, and shared parking are clearly depicted and duly recorded.

MOTION: Vice Chair Bloomfield moved to recommend approval of Consent Agenda Items 8. DR19-178 Gilbert Medical Office Building, 9. DR19-99 Milling Machinery (Continued), 10. UP19-35 and 11. DR19-109 Quintana at Verde, 21. GP19-04 and 22. Z19-13 Mercy Val Vista Center, as outlined, with the conditions listed in the staff reports; seconded by Commissioner Simon. **Motion passed 7-0.**

PUBLIC HEARING (NON-CONSENT)

Non-Consent Public Hearing items will be heard at an individual public hearing and will be acted upon by the Commission by a separate motion. During the Public Hearings, anyone wishing to comment in support of or in opposition to a Public Hearing item may do so. If you wish to comment on a Public Hearing Item you must fill out a public comment form, indicating the Item Number on which you wish to be heard. Once the hearing is closed, there will be no further public comment unless requested by a member of the Commission.

12. UP19-53 SANA BEHAVIORAL HOSPITAL: Request to approve a Conditional Use Permit for approximately 3.79 acres of real property located at 2018 E. Mercy Road to allow a hospital in the General Office (GO) zoning district, subject to conditions.

STAFF RECOMMENDATION

Make the Findings of Fact and approve UP19-53, Sana Behavioral Hospital: a Conditional Use Permit for approx. 3.79 acres located at 2018 E. Mercy Road, to allow a hospital in the General Office (GO) zoning district with a Planned Area Development (PAD) overlay, subject to conditions:

1. The Project shall be in substantial conformance with the site plan provided under Attachment No. 4.

13. DR19-189 SANA BEHAVIORAL HOSPITAL: Site plan, landscape, grading and drainage, elevations, floor plans, lighting, colors and materials, for approximately 3.79 acres, located at 2018 E. Mercy Road, and zoned General Office (GO) with a Planned Area Development (PAD) overlay.

STAFF RECOMMENDATION

Approve the Findings of Fact and approve DR19-189, Sana Behavioral Health: site plan, landscape, grading and drainage, elevations, floor plans, lighting, colors and materials for approximately 3.79 acres, generally located at the at 2018 E. Longhorn Drive and zoned General Office (GO) with a Planned Area Development (PAD) overlay, subject to conditions:

1. Construction of the project shall conform to the exhibits approved by the Planning Commission at the March 4, 2020 public hearing.
2. The construction site plan documents shall incorporate the Standard Commercial and Industrial Site Plan Notes adopted by the Design Review Board on March 11, 2004.
3. Prior to building permit issuance, the applicant shall abandon the access easement located along the southern boundary of the site; should the access easement not be abandoned the applicant will be required to submit an amendment to the design review to allow access at this location.
4. Construction drawing submittal shall reflect a shift in the private fire line on the north side of the proposed building out of the public water easement and an adjustment to the sewer line as necessary.
5. The FDC connection shall be shifted west of the current location to be accessible by the sidewalk.
6. 156th Street shall be 33 feet wide from face of curb to face of curb.
7. The southern driveway off of 156th street shall be modified to reflect a 30 foot wide apron per standard detail GIL-210
8. With construction document submittal, applicant shall include median modifications west of 156th Street showing adequate stacking.

Senior Planner Ashlee MacDonald reviewed UP19-53 and DR19-189, Sana Behavioral Hospital. The property is located off of Mercy and Pecos Roads and zoned General Office. The surrounding properties are also zoned General Office (GO) with the exception of two one-acre lots zoned Single Family-43 and developed residentially. The site is part of the Celebration Centre Campus PAD that was rezoned to GO and is anticipated to transition to medical office uses to support the hospital. Surrounding uses in the area include an approved congregate living facility, the Evo Swim School and medical offices.

The applicant is requesting a Use Permit and Design Review approval. The property is located within the Val Vista Medical Growth Area which anticipates medical offices and business park type uses. A Conditional Use

Permit is required for a hospital within the GO zoning. The Sana Behavioral Hospital is a 24 bed, 24-hour geriatric behavioral health hospital serving patients 55 and older. It is a secured facility and does not meet our definition for a behavioral health hospital in the Land Development Code and is not required to meet spacing requirements. Part of the Celebration Centre Campus PAD included a road network to provide circulation through a right-of-way dedication along the 156 Street alignment. This development will provide half-street improvements along 156 Street as required by the ordinance that rezoned the property.

The site plan was reviewed showing the proposed building, secured outdoor courtyard and employee amenity area. A PAD was included for a future phase that will be required to come in for review and approval by staff. There is a medical office building that has already developed to the west of the site, which has provided a portion of the dedicated roadway.

The landscape plan meets the requirements. There is an existing wall along the south boundary, and a new wall is being proposed along the east boundary of the site. The applicant is providing foundation landscaping around the building. There was a question from a neighbor about the current height of the existing wall along the southern boundary. If that wall is not 8 feet, the applicant will increase the wall height to 8 feet. The colors and materials for the Design Review include copper metal panels, louvered metal screening for the mechanical equipment, and painted metal canopies over the windows. Elevations of an existing Sana Behavioral Hospital facility in Prescott were provided for comparison.

The applicant is requesting a Use Permit to allow a hospital in General Office zoning. The Planning Commission will need to make four findings of fact in order to approve the Conditional Use Permit. Those findings are that the proposed use will not be detrimental to the health, safety or general welfare, conforms to the purposes, intent and policies of the General Plan, conforms to the conditions, requirements, or standards required by the Zoning Code, and will not unreasonably interfere with the use and enjoyment of nearby properties.

Staff is recommending approval of the Conditional Use Permit with one condition to comply with the site plan exhibit, and with eight conditions for approval for the Design Review as listed in the staff report.

The applicant was in attendance and offered to answer any questions.

Chair Andersen opened the public hearing and called for public comment.

PUBLIC COMMENT:

Bobbi Reginato is a resident on East Wyatt Way across from the proposed facility. She had a question regarding the development of 156 Street, which does not exist today. Her concerns were alleviated with the staff presentation. She advised that none of the residential fences that back up to the site are 8 feet high. As a Gilbert resident, she was concerned with the definition of a behavioral hospital. The documents refer to this as a psychiatric facility that treats cognitive impairments and co-morbid medical conditions, and Sana's website states they treat disorders such as Alzheimer's, depression, severe anxiety, PTSD, psychosis, paranoia, hallucinations, delusions, bipolar, schizophrenia, suicidal ideation, co-occurring mood and substance disorders, and self-harming behavior. Down the street there is a swim school and across Pecos Road is Discovery Park, which is frequented by a lot of kids and families. She was concerned with a psychiatric disorder hospital in this area. She did not understand the difference between a behavioral health hospital and a psychiatric hospital, nor did she understand the securities they will have. The age of the patients is listed as geriatric, although their website and the documentation states ages 55 and over. She does not consider age 55 to be geriatric. The documentation also mentions COPD and arthritis and she asked if the patients have other conditions and how they are checked out of the facility. She had empathy for people with mental conditions and their families, but was concerned with patients being released in a residential area with a nearby park and school. She asked about patients being admitted on a voluntary versus involuntary basis as the documentation states that no one is technically committed into the hospital. She does want her neighbors to make a good profit on their land and she understood that it will be General Office, but did not understand why we would put a psychiatric hospital in this particular location.

Ryan Eggleston, Salt Lake City, UT, representing Sana Behavioral Hospital (Sana), thanked Ms. Reginato for her questions and comments. Sana is a behavioral hospital, meaning that each individual who is admitted would have some type of psychiatric condition as their primary diagnosis. Ms. Reginato listed a series of diagnoses and those are things that Sana treats. The admission criteria are a psychiatric diagnosis and age 55 plus. Most of the patients will come from nursing homes, from their home, or from the hospital, and will have had some sort of condition or acute episode that requires psychiatric care in a safe environment. Co-morbid conditions are medical conditions a patient may have in conjunction with psychiatric issues. Sana opens the criteria so they can take care of patients who also have COPD, heart disease, or other medical conditions. Patients are treated by a psychiatrist on staff as well as a medical doctor with 24/7 nurses and mental health technicians. It is a secured facility with double lockdown doors for every ingress and egress for the hospital. Patient are always accompanied by a staff member when using the outdoor facilities so there is no chance for them to be out on their own. Ms. Reginato had asked about voluntary versus involuntary, which refers to whether or not a patient is able to sign for themselves. Some patients would lack the mental capacity to sign themselves in and would be admitted involuntarily. The average stay at the facility is 12 days, and the goal is to return patients to their prior living arrangement and level of care, whether that was a skilled nursing facility, assisted living facility or their home. By regulation, patients cannot be discharged out to the street. There is always a safe discharge plan in place for these individuals as well as follow-up services and providers. There are licensed social workers who handle the discharge planning and make sure it is a safe discharge to either family members in the home or to the previous level of care in another type of care facility. Sana has another facility in Las Vegas that backs up to a neighborhood and there have never been issues of a patient getting out. For the most part, the patients are elderly folks who need some significant care and who have psychiatric diagnoses, but are not the violent criminal type patients. The facility works on the patient's medications as well as coping mechanisms with the goal of returning patients back into society and back to their previous living arrangements where they will be most safe and can have a better quality of life.

COMMISSION QUESTIONS/COMMENTS:

Commissioner Mundt noted that certain Class 1 and 2 patients could not be admitted to this facility. He asked for clarification that these would not be patients with criminal elements or those who have been court ordered to a facility because of violent behavior.

Mr. Eggleston stated that was 100 percent correct. The majority of patients would be coming via the emergency room at the adjacent hospital once a psychiatric diagnosis is confirmed.

Commissioner Mundt stated the emergency room may have a patient that needs medical care but that also has severe schizophrenia, for example. He asked for clarification that the emergency room would not be the best suited to care for those patients and the Sana facility would fill that gap.

Mr. Eggleston state that was exactly right. Hospital emergency rooms would not be equipped to handle psychiatric patients for ongoing treatment. The emergency room would stabilize the patient, but would not have the ability to admit them to their hospital as they don't have specific psychiatric care. These patients get stuck in the emergency room until they can be transferred elsewhere.

Commissioner September thanked Mr. Eggleston for coming out to Gilbert and answering questions. There is a wall that may not be 8-feet tall today. He wanted to confirm that Sana would be committed to raising that wall to 8 feet. He noted some 6-foot walls may not have the proper foundation to support an 8-foot height and may require some enhancement.

Mr. Eggleston stated there was some discussion regarding the height of the wall and Sana is committed to making that wall meet the requirement.

Vice Chair Bloomfield appreciated the resident who spoke so well and expressed their concerns. One question that has not been addressed is why this project here in this location.

Mr. Eggleston stated a number of demographics studies have been done which pointed them to this area of Gilbert. They have considered a few different spots that are close to the hospital and proximity to the hospital is

an important factor as they are a primary referral source. Having the chance to be in a prime location on the medical campus is what drew them to this particular area. It was also important to have the surrounding facilities that will be referral sources as well. There are skilled nursing and assisted living facilities in the area which are complementary aspects for this business.

Chair Andersen asked for clarification on the regulated discharge process. Is it regulated by the Arizona Department of Health Services?

Mr. Eggleston stated it is a Medicare regulation. The majority of their patients will be Medicare-aged individuals, although the facility will accept those 55 and over as that is a group that needs this type of care as well. The CMS standards state that a patient cannot be discharged to the street, and that it has to be a safe discharge to whatever setting makes the most sense for that patient.

Ms. MacDonald advised that Planning staff would be most comfortable if a stipulation were added that if the existing wall on the south side is not 8 feet that the applicant would provide an 8-foot wall. That condition can be added through the motion on the DR item.

Vice Chair Bloomfield noted there are two residential properties and asked for clarification that both would be required to have the 8-foot wall between them and the General Office zoning. That requirement is not just on the south, but on the east as well. Ms. MacDonald stated the eastern property boundary is zoned General Office and there is no existing wall on that boundary. The applicant will construct a new 8-foot wall.

Vice Chair Bloomfield asked if the applicant or hospital use would have to abide by whatever conditions are in the Conditional Use Permit or they would risk losing the ability to have that use there. Ms. MacDonald stated that was correct.

Chair Andersen thanked Ms. Reginato for stating her concerns. The public hearing was closed and the discussion was brought back to the dais.

There was no further discussion at the dais and Chair Andersen called for motions.

MOTION: Commissioner Cavenee moved to make the Findings of Fact and approve UP19-53, Sana Behavioral Hospital: a Conditional Use Permit for approx. 3.79 acres located at 2018 E. Mercy Road, to allow a hospital in the General Office (GO) zoning district with a Planned Area Development (PAD) overlay, subject to the condition outlined in the staff report; second by Commissioner Smith. **Motion carried 7-0.**

MOTION: Commissioner September moved to approve the Findings of Fact and approve DR19-189, Sana Behavioral Hospital: site plan, landscape, grading and drainage, elevations, floor plans, lighting, colors and materials for approximately 3.79 acres, located at 2018 E. Longhorn Dr. and zoned General Office (GO) with a Planned Area Development (PAD) overlay, subject to the conditions listed in the staff report, and with the stipulation that the applicant ensure that the wall across the southern boundary is 8 feet in height; second by Commissioner Simon. **Motion carried 7-0.**

- 14. GP19-08 THE CARSON: Request for Minor General Plan Amendment to change the land use classification of approx. 2.85 acres generally located south of the southwest corner of Gilbert Rd. and Civic Center Dr. from Shopping Center (SC) to Residential >14-25 DU/Acre land use classification.**
- 15. Z19-20 THE CARSON: Request to rezone approx. 2.85 acres generally located south of the southwest corner of Gilbert Rd. and Civic Center Dr. from Maricopa County Rural-43 (RU-43) to Multi-Family/Medium (MF/M) zoning district with a Planned Area Development (PAD) overlay.**

STAFF RECOMMENDATION

- A. Recommend to the Town Council approval of GP19-08, to change the land use classification of approx. 2.85 acres, generally located south of the southwest corner of Gilbert Rd. and Civic Center Dr. from Shopping Center (SC) to Residential > 14-25 DU/Acre land use classification; and
- B. For the following reasons: the development proposal conforms to the intent of the General Plan and can be appropriately coordinated with existing and planned development of the surrounding areas, and all required public notice and meetings have been held, the Planning Commission moves to recommend approval of Z19-20 rezoning approx. 2.85 acres, generally located south of the southwest corner of Gilbert Rd. and Civic Center Dr. from Maricopa County Rural 43 (RU-43) to Multi Family/Medium (MF/M) with a PAD overlay, subject to the following conditions:
- Dedication to Gilbert for Gilbert Road rights-of-way that are adjacent to the Property shall be completed prior to any Town approval to construct any part of the Project or sooner as required by the Town Engineer. Failure to complete dedication prior to the effective date of this ordinance may result in reversion of the zoning to the prior zoning classification.
 - Dedication of Gilbert Road rights-of-way that are adjacent to the Property shall extend 70 feet from the monument line. The western 5 feet of the 70-foot dedication shall be in the form of a public roadway easement.
 - Construction of off-site improvements to Gilbert Road adjacent to the Property shall be completed prior to issuance of a certificate of occupancy or final approval of any unit or building constructed on the Property or at the time requested by Gilbert, whichever is earlier.
 - At the written request of Gilbert, Developer shall dedicate all necessary easements for the roadway improvements, including easements for drainage and retention and temporary construction easements. Failure to dedicate said easements within thirty (30) days after the date of Gilbert's written request may result in the reversion of the zoning of the Property to the prior zoning classification.
 - To the extent that any landscaping, open space, recreational facility, private street, utility, or other facility is held in common ownership, Developer shall create a Property Home Owner's Association (PHOA) for the ownership, maintenance, landscaping, improvements and preservation of said areas as required by the Town of Gilbert Land Development Code. ~~all common areas and open space areas, of the landscaping within the rights of way, and of the landscaping within the SRP Easement adjacent to the Property.~~
 - To the extent that any landscaping, open space, recreational facility, private street, utility, or other facility is held in common ownership, Developer shall record easements to be owned by the POA for pedestrian, bicycle or trail system purposes ~~prior to Town approval to construct any part of the Project or sooner,~~ if required by the Town Engineer. ~~In recognition of the modifications to the underlying zoning regulations set forth herein, such easements shall be open to public access and use.~~
 - Prior to Town approval to construct any part of the Project, Developer shall pay for its proportional share of water and sewer mains benefitting the Property as required by the Town Engineer.
 - The Project shall be developed in conformance with Gilbert's zoning requirements for the zoning districts and all development shall comply with the Town of Gilbert Land Development Code, except as modified by the following:

Site Development Regulations	Proposed MF/M PAD
Minimum Building Setbacks (ft.)	
Side (Adjacent to Single family residential zoning district)	12'
Minimum Perimeter Landscape Area (ft.)	
Side (Adjacent to Single family residential zoning district)	12'
Separation between Buildings (ft.)	

Single or two story	7'
Minimum Height of Solid Separation Fence (LDC – 4.109.A.2 (a)(b))	1) North Property Line: 8' high masonry wall 2) West Property Line: 8' high masonry wall 3) South Property Line: No wall

- i. The maximum number of dwelling units shall be limited to the maximum allowed under the Gilbert General Plan.
- j. ~~No later than thirty (30) days from the effective date of this Ordinance, Prior to the issuance of the first certificate of occupancy for the project,~~ the Developer shall record a restrictive covenant on the Property ~~as well as requiring a provision in the lease agreement with future tenants, that prohibits resident vehicles from being parked in outdoor parking spaces,~~ requires a resident vehicle(s) to be parked inside the garages ~~to keep of the resident's unit, and restricts the use of outdoor parking spaces to for~~ visitor vehicles ~~only~~. Enforcement of the parking restrictions described in this condition shall be the responsibility of the POA ~~or the Developer's designated property manager~~. Nothing in this condition shall be interpreted to restrict emergency vehicles or to prohibit the parking of public service and public safety emergency vehicles pursuant to A.R.S. § 33-1809.
- k. Developer agreed to landscape the 18' SRP easement adjacent to the southern boundary as part of its fence modification request. Developer shall be required to provide said landscaping within the 18' SRP easement adjacent to the southern property boundary, which shall be coordinated with SRP and installed at the time of development of the Property.

Chair Andersen declared a conflict and recused himself on items 14 and 15.

Planner Keith Newman presented GP19-08 and Z19-20 The Carson, a 2.85 gross acre site located on Gilbert Road south of the Gilbert Town Square shopping center. The site is currently located in a Maricopa County Island and an annexation hearing is scheduled for March 24, 2020. The request is for a General Plan amendment from Shopping Center (SC) to Residential >14-25 DU/Acre and a PAD rezone from Maricopa County Rural 43 (RU043) to Multi Family-Medium (MF/M) zoning with a PAD overlay. The development plan shows one entrance into the site, 44 total units in a for-rent townhouse product with a density of 15.4 DU/Acre. All of the units will be two-story with two-car garages. Amenities include a swimming pool to the front and a tot lot to the back of the site.

When this item was heard in the November 2019 Study Session, the applicant had twice as many PAD modifications as they are requesting today. The applicant has since eliminated the prior requests for landscape and building setbacks along the east, north, and west boundaries. The applicant is currently proposing modifications to the landscape and building setbacks from the required 30 feet and 20 feet to 12 feet. The applicant is also proposing to eliminate the required 8-foot separation wall along the south boundary. Adjacent to that south boundary is an 18-foot wide SRP easement where the applicant would like to put landscaping. If a wall were to be installed along that south boundary line, it would create an 18-foot wide dirt canyon. Without that wall, there can be a 30-foot wide space in between the adjacent south property owner's block wall and the townhouses where trees and landscaping can be accommodated. The applicant is also requesting a modification from the required 20-foot building separation to 7 feet.

The applicant was in attendance to answer any questions.

COMMISSION QUESTIONS/COMMENTS:

Commissioner Cavenee asked staff to point out the areas where the applicant was requesting a 7-foot building separation. Mr. Newman pointed out the one location for the requested 7-foot building separation. The LDS requires a building separation of 20 feet. There are some locations in the development where that building separation is 14.5 feet. Everywhere else, it meets or exceeds that requirement.

Commissioner Cavenee asked staff to describe the condition of the wall at the southern boundary. Mr. Newman stated along the southern boundary, the LDC requires an 8-foot solid wall. The applicant is proposing to remove that wall in order to plant landscaping within the 18-foot SRP easement area. If the Town were to require that boundary wall to be built, there would only be a 12-foot wide area between the wall and the units. Instead of creating a canyon-like effect between two walls, the applicant would like to eliminate that wall to allow for a 30-foot wide space where they could install landscaping to provide a more appropriate visual barrier between the apartments and the residents to the south.

Commissioner Cavenee asked if the townhomes users would have access to that area as recreation space. Mr. Newman stated the majority of the space would be landscaping with trees, shrubs and decomposed granite. There is a trail on the north side of the apartment complex property.

Vice Chair Bloomfield invited the applicant to address some of the questions.

Applicant Sean Lake, Pew & Lake, PLC, appeared on behalf of the developer, Michael Stephan, of Porter Kyle Builders. Since the project was last before the Commission, there have been quite a few changes to the project. On the north side of the site is Sal's Pizza and on the west boundary is the Bowlero bowling alley. There is an existing residential subdivision to the south with an 18-foot SRP easement in between the residential and the subject site. Staff did an excellent job presenting the request. Mr. Lake reviewed the substantial changes to the proposal, including a reduction in the number of units from 44 to 40 in order to reduce the deviations on the north and east sides, and all of the open space requirements have been met or exceeded. There is an existing 6-foot wall on the residential subdivision and then an 18-foot SRP easement before our property line begins. Following the code requirement to install an 8-foot wall on the south boundary of the site would result in parallel walls with 18 feet of nothing in between, essentially creating an unsavory corridor. The request is to remove the requirement for that 8-foot wall and incorporate the 18-foot easement area into the landscape plan. SRP was contacted and gave permission to landscape that area as part of this development. The shopping center to the west also agreed to that request. The proposal is for very nice two-story units with two-car enclosed garages. The development includes nice amenities with a pool and tot lot in a gated community. The SRP easement has been removed from the open space calculations and trails have been added. Substantial changes were made to address staff's concerns and staff is recommending approval of this proposed development.

COMMISSION QUESTIONS/COMMENTS:

Commissioner September asked what obligation does the applicant have to maintain the landscaping they are proposing in the 18-foot SRP easement, and how will that obligation be memorialized.

Mr. Lake stated that easement area will be landscaped as part of their property and will be maintained as part of the trail maintenance.

Commissioner September asked if the applicant would be opposed to a condition of approval to require that maintenance.

Mr. Lake would agree to such a condition.

Commissioner September advised for the record that he was contacted by the applicant and had an opportunity to talk about this proposal. He was glad to see a lot of the changes that were made by the applicant and appreciated the efforts taken to meet a lot of the concerns from the prior Study Session.

Commissioner Mundt also spoke to the applicant and echoed the sentiments of Commissioner September. There were a number of previous deviations and he appreciated the give and take in the process. He liked the idea of the extra landscaping versus having dueling walls, especially given the close proximity.

Commissioner Cavenee agreed with the Commission comments and appreciated the applicant listening to the comments in the prior Study Session. The applicant did a great job addressing those. Even though this is not a DR case, he noted the placement of the trash enclosures and strongly encouraged that the applicant provide adequate screening.

Vice Chair Bloomfield thanked Mr. Lake for all of those efforts and the changes made.

MOTION: Commissioner Cavenee moved to recommend to Town Council approval of GP19-08, a Minor General Plan Amendment for The Carson; second by Commissioner September. **Motion passed 6-0, with Chair Andersen recused.**

MOTION: For the reasons set forth in the staff report, Commissioner Cavenee moved to recommend approval to the Town Council for Z19-20, as requested, subject to the conditions listed in the staff report, with a modification to the last sentence of Condition J to read as follows: “Nothing in this condition J shall be interpreted to restrict the Town from enforcing the parking restrictions described in this condition, to restrict emergency vehicles, or to prohibit the parking of public service and public safety emergency vehicles pursuant to A.R.S. § 33-1809, and with the condition that the landscaping within the 18-foot SRP buffer be maintained by the property owner/applicant; second by Commissioner Mundt. **Motion passed 6-0, with Chair Andersen recused.**

Vice Chair Bloomfield invited Chair Andersen back to the dais.

16. GP19-05 PB BELL GILBERT COMMONS: Request for Minor General Plan Amendment to change the land use classification of approximately 8.63 acres of real property generally located at the southeast corner of Cooper and Baseline Roads from Regional Commercial land use classification to Residential >14-25 DU/Acre land use classification.

17. Z19-15 PB BELL GILBERT COMMONS: Request to amend Ordinance Numbers 313, 404, 740, 1389 and 1490, pertaining to the SWC Cooper and Baseline Planned Area Development (PAD) and to rezone approx. 47.99 acres generally located south of the southwest corner of Cooper and Baseline Roads from approx. 47.99 acres of Regional Commercial (RC) all with a Planned Area Development overlay zoning district to approx. 39.36 acres of RC and 8.63 acres of Multi-Family/Medium (MF/M) all with a Planned Area Development overlay zoning district.

STAFF RECOMMENDATION

- A. Recommend to the Town Council **denial** of GP19-05, to change the land use classification of approx. 8.63 acres, generally located south of the southwest corner of Cooper and Baseline Roads from Regional Commercial (RC) to Residential >14-25 DU/Ac land use classification; and
- B. For the following reasons: the development proposal does not conform to the intent of the General Plan and cannot be appropriately coordinated with existing and planned development of the surrounding areas, all required public notice and meetings have been held, the Planning Commission moves to recommend **denial** of Z19-15 rezoning approx. 47.99 acres within Gilbert Commons Planned Area Development (PAD) and generally located at the southwest corner of Cooper and Baseline Roads from approx. 47.99 acres of Regional Commercial (RC) zoning district with a Planned Area Development (PAD) overlay to approx. 39.36 acres of Regional Commercial (RC) zoning district and 8.63 acres of Multi-Family/Medium, all with a Planned Area Development (PAD) overlay.

Should the Planning Commission be inclined to recommend approval of Z19-15, then the following conditions reflect the deviations requested by the applicant for adoption within an ordinance:

- a. Condition (a) shall be deleted in its entirety.
- b. Condition (b) shall be amended to read as follows: “Construction of all required off-site improvements to Cooper Road and Merrill Avenue adjacent to the Project shall be substantially completed in accordance with approved plans and Town Standards prior to the issuance of any certificate of occupancy for the Project.”
- c. Condition (c) shall be amended to read as follows: Should there be any commonly owned areas the developer shall create a new POA (Property Owner’s Association) for the maintenance and preservation of all common areas, landscaping and improvements within the open space areas and public street rights-of-way.

- d. Condition (d) shall continue to read as follows: Developer shall record of easements for pedestrian, bicycle, equestrian, and public access trail systems prior to recordation of the final plat or sooner if required by the Town Engineer.
- e. A new condition (e) shall be added to read as follows: “The Project shall be developed in conformance with Gilbert’s zoning requirements for the zoning districts and all development shall comply with the Town of Gilbert Land Development Code, except that the following modifications shall be permitted:

Standards for Multi-Family /Medium	Multi-Family/Medium Modifications
Perimeter Building Setbacks	
Front Setback (Internal to Shops at Gilbert Commons)	10’
Side (Merrill Avenue)	30’
Side (Internal to Shops at Gilbert Commons)	0’
Rear (Non Residential)	15’*
Minimum Perimeter Landscape Areas (Depth in Feet)	
Front (Internal to Shops at Gilbert Commons)	10’
Side (Merrill Avenue)	20’
Side (Internal to Shops at Gilbert Commons)	0’
Rear (Non Residential)	17’-10”
Building Separation	
Single or Two-Story	19’
Three Story	19’
Separation Fence Between MF and RC	Not Permitted
Access to RC from MF Property	Yes
Standard for Regional Commercial	Regional Commercial Modifications
Perimeter Building Setbacks	
Rear (Internal to Shops at Gilbert Commons)	0’
Minimum Perimeter Landscape Areas (Depth in Feet)	
Rear (Internal to Shops at Gilbert Commons)	0’
Separation Fence Between RC and MF	Not Permitted
Access to MF from RC Property	Yes

* The 15' Rear (Non Residential) standard applies to accessory structures only. All other buildings shall comply with the standard 20' Rear (Non Residential) perimeter building setback requirement.

Senior Planner Amy Temes presented GP19-05 and Z19-15 PB Bell request for General Plan Amendment and rezoning for the southeast corner of Cooper and Baseline Roads. The applicant has asked to change 8.63 acres of Regional Commercial (RC) to Residential >14-25 DU/Acre. Ms. Temes noted that the entire site was included at staff's request because when the applicant originally came in to rezone the 8.63 acres, staff realized that there could be ramifications on the remaining RC properties if they wanted to redevelop or make changes in the future. As a result, those properties would be non-conforming and the setbacks would be much larger. The applicant did increase their zoning area to 47.99 gross acres at staff's request; 39.36 acres would remain RC with a few deviations and 8.63 acres would change to Multi-Family if approved. Only the 8.63 acres would be directly affected by this request. This item has not come before the Commission in a Study Session as the applicant elected to move forward to hearings. The overall request is for approximately 90,000 square feet of vacant commercial space. The applicant proposes to tear down that 90,000 SF and erect multi-family housing.

Ms. Temes presented the Development Plan superimposed into the overall site plan. The main entrance to the site will be a full-motion access which also leads into the Kohl's center, and there is currently a signal at Merrill Avenue and that access would be modified to allow access into the center. The units along the eastern boundary would be carriage units with parking on the first floor and along the western boundary would be carports. The main buildings are three-story standard apartment buildings that would typically be seen in a suburban design, minus the perimeter wall and gated entry. The main amenity package is located in the middle of the site with a secondary amenity package near the southern end.

Typically, staff would support a zero building setback if internal to the site. The applicant will provide a 10-foot building setback and landscape setback to soften the boundary between the two projects. The rear building setback is 20 feet and the applicant would like to reduce that to 15 feet for accessory structures to accommodate the carports. There is an existing landscape parcel that acts as RC/Shopping Center drainage as well as a buffer between the Light Industrial to the west and the Regional Commercial at the back. In this case, it would act as a buffer to the multi-family parking lot. The applicant has requested a reduction from 20 to 19 feet between some of the buildings. A separation fence around the site would not be permitted and the code restricts access to Multi-Family through Commercial and vice versa. The applicant is requesting that access be allowed between the Commercial and Multi-Family. There would be a 75-foot setback next to the Kohl's and staff has suggested that be modified to zero to avoid any undue hardship on the Kohl's building in the future. At this time, all of the property is owned by the same entity, although there is an agreement to sell off 8.63 acres once entitlements are achieved. The rear would require a 40-foot landscape buffer between the Kohl's and this development to be in compliance and conformance. That would also go to zero. Staff is hopeful that during the Design Review this would be approved so that there would not be a big blank building with a driveway for deliveries along the south side. A separation fence is not permitted for the RC use.

Ms. Temes advised that when the multi-family developer came in over two years ago and proposed to tear down the 90,000 square feet and put in multi-family, staff was not opposed to that discussion as the market trends are changing with e-commerce. Every purchase someone makes on their phone is one less local business that is going to be supported in this town. We will need more heads in the Town of Gilbert to support the commercial that exists. At that time, multi-family was trending with the older generation as well as the younger generation. Staff asked that the applicant bring something integrative and creative as a lifestyle center that will create a synergistic relationship. Staff encouraged a mixed-use environment, but never mentioned vertical. Staff had suggested a live-work carriage product along the eastern boundary as RC allows for loft living above and there could be signage just like in a commercial center. That would provide opportunities for small businesses and start-ups with a window to Cooper Road. The applicant seemed very open to creating a really innovative creative environment. There have been a few adjustments to the project for Fire, Traffic and other building or safety issues. From a planning standpoint, the boundary of the 8.63 acres has been static and there is no leading off into the commercial center and no integration of uses. The applicant's market analysis was their narrative.

They stated that they have lease commitments, CC&Rs, and deed restrictions. This is a standard multi-family complex that could be anywhere in the southeast Valley put in the middle of a commercial center acting as a buffer between commercial and industrial. Commercial has been existing next to the Light Industrial for 16 years and seems to be doing fine without a buffer. How will this ever integrate and how will these residents ever be served if all these restrictions are placed on the commercial. If they can't have a fitness center and other uses, what will ever go in to support these users? There would be 205 units with over 300 residents. Staff had hoped there would be services provided and that the pads along Cooper would be redeveloped as those leases expired. Lifestyle centers are up 13% in the multi-family market right now. Multi-family builders cannot keep up with the changes in the market for what those residents need and want. Those builders have been teaming up with commercial centers where tenants can ebb and flow and change with the market demands of the residents. That way the multi-family builder does not have to build a huge amenity package because there is that symbiotic relationship. That is the kind of creative idea that staff was envisioning looking to the future so that this center will survive the next 16 years. Ms. Temes asked is this the right time and the right location for this project?

Staff researched some data facts on multi-family and commercial in this area. The tenants in this approximately 90,000 square feet have been relocated out of this site and it has been vacant on CoStar for at least two years. Today, one-third of that vacant space is available for lease. Commercial in this area is actually doing fairly well up to a 10-mile radius. Regional Commercial is struggling with the big boxes and we have seen a change with how big boxes are handled. Big boxes have slightly decreased within a mile radius and further out, although there are only two big box centers within a mile. The center to the northeast has gone through a revitalization over the last year or two. Most of that center between the Walmart and the movie theater went vacant. We saw that center reinvent itself according to the market trends. Other centers have reinvented themselves either as an entertainment use, office use or in some other way with a different tenant mix and a different focus. It can be done. Is the solution to rip down 90,000 square feet or is the solution to look at your market differently. This center is so restricted by all of the tenants and leases it has put into place over the years, the owner is now backed into a corner. Is it the Town of Gilbert's responsibility to pull them out of that corner and to put in multi-family and rip down that much viable employment or commercial space? In RC, there are over 100 main land use categories and it is our broadest zoning district. There should be something in RC that will work. Perhaps the applicant needs to wait for some of those leases to expire. Ms. Temes was not sure that multi-family would work here because it cannot integrate and blend the way it needs to at this location.

The applicant's narrative states that Cooper Road is not the main road and is not as viable. As a resident of Gilbert, Cooper Road is one of Ms. Temes' main routes off of US-60 and it is a very busy road. The neighbors have attested to how busy the traffic is in this area. Cooper Road is a main thoroughfare into Gilbert and it does work because we have seen the Walmart center work as well as the smaller shops and restaurants across the street to the west. Staff is not sure that is a viable argument. Multi-family vacancy is down, lease rates are up significantly and continue to rise, and single-family housing costs continue to rise, which creates affordability concerns for residents. Also, while multi-family leasing rates continue to rise at a high rate, inflation is rising at a much slower rate creating a bubble that limits the market. Multi-family is not serving as an alternative affordable lifestyle. It is as expensive as owning a home. How are we serving that missing middle market?

Commercial activity will always have a higher fiscal impact on the Town than residential because with residential we have all these services that have to be provided. In this case, if it was full commercial and it was reinvented it would be 200 to 1. The impact on the Town of Gilbert from a tax base and employment base is huge. A chart was provided on the land use percentage by zoning district. Multi-family is 3%, Office is 3%, Commercial is 10%, Single-Family is over 68%. If we continue to lose our Commercial and Employment, are we sustainable? Can we continue to provide everything we do to our residents if we keep chipping away at those numbers. We need those employers here so that our people will work close to home. We need the retail to be able to serve them with a wide variety of entertainment venues, experiences, or kitty-cat cafes.

The neighborhood has become very organized in this process and put out a survey monkey to gather input. Summaries of those responses have been provided to Town staff. As of today, there were 142 total emails, phone calls and survey results with 14 in support and 128 opposed to this project. The letter in opposition from

the Chamber of Commerce was not included in that number. The main concerns from the survey included an increase in traffic, loss of retail and commercial space, devaluation of property, long-term risk of apartments, and environmental and health concerns with demolition. Ms. Temes noted per the traffic study, multi-family during peak hours still has a lesser output than commercial, although commercial has a higher output in the evening peak hours. People were worried that apartments would be sold off and would eventually fall to disrepair. Survey comments stated a preference for business over residential, and that Cooper is considered a main road into Gilbert. Staff reached out to the Gilbert Public School District and they indicated that the northwest area of town had no outstanding issues with school counts and classroom counts. An email letter was received from Friends for Life Animal Shelter located to the west of this site. They liked the idea of having eyes on their property as they have a lot of women volunteers. Others in the neighborhood have argued that sandwiching multi-family in between industrial and commercial uses was not a great idea. A list of comments from the neighborhood meeting and the survey was included in the staff report.

At this point, staff is recommending denial of this project for the reasons outlined. If this project was well integrated and created a synergistic relationship, staff would have been willing to support it. If staff had known about all of the concern with leases and restrictions on the property, they would not have encouraged the applicant or developer to move forward. This is not the right spot or the right time for a standard multi-family complex. Ms. Temes advised that the applicant and property owner were in attendance to answer any questions.

As there were no questions or comments from the Commission at this time, Chair Andersen invited the applicant to make a presentation.

APPLICANT PRESENTATION:

Applicant Ralph Pew, Pew & Lake, PLC, Mesa, felt this was a very important project that begins to implement what the Town is now considering as the Northwest Growth Area and Corridor. Amy Temes took this project over after Nathan Williams had it for a long time and they both have been very diligent and helpful in bringing this about. He introduced Mr. Jed Craig of SyWest Entities, owner of the entire shopping center, and his partner Anthony Blanchard, as well as Dan Tilton, Vice President of PB Bell, and Vanessa MacDonald with Pew & Lake. Mr. Pew invited Jed Craig to identify why this change is important and what has been happening to the 90,000 square feet of space that has been vacant for eight years.

Jed Craig, SyWest Development, California, stated SyWest acquired this property in 2012 along with two others in the Phoenix market, and coming out of the recession, this was seen as a good opportunity. As Ms. Temes pointed out, the landscape of retail from the time of purchase until now has changed dramatically. Most of the retailers he would look to for the Cooper Road side in this center he already has as tenants along Baseline or they are already across the street. This is a very mature node and it has been a challenge. He has been in the business for over 20 years and this is a very unique case.

Mr. Craig stated it would be a lot easier and more financially viable for him to lease this to retail. They have owned this property since 2012 and it was vacant prior. When they first acquired the property, Sports Authority was vacating. Michaels was a relocation from Gilbert and Cooper and they stated they would go to the Baseline side but not the Cooper side of this center. Instead they went across the street to the Mesa side. Sprouts would not come to the Cooper Road side, even though it is the going home side and Henry's was a grocery store that fit the same square footage. Mr. Craig is trying to preserve what he has, which is a very strong power center from TJMaxx to Kohl's facing Baseline. It is a good center and the sales out of the boxes are quite good, but the chronic vacancy has a cost. He is trying to avoid cutting off a dead branch to save a tree. This is a retail request as much as it is a residential request and he is trying to preserve what we have for the long term so this will be a viable shopping center for the community now and into the future.

Staff had mentioned the deed restrictions and covenants that they have to lease. Mr. Craig advised that all of the major anchors from TJMaxx to Kohl's have approval rights over any modifications to the site plan. They all have weighed in quite heavily and this is a plan they are willing to approve. They understand residential is a non-conforming use, but it is a complementary use that does not compete with their business and will bring new customers. We have been working on this for two years trying to understand the request from staff and trying to

do what we think is a well-integrated side by side project that does not compete with parking or adversely affect the existing entities.

Mr. Pew appreciated the history and background on this shopping center. He was not sure the issue was whether there should be multi-family here. He had an entire presentation on the debilitating nature of commercial in this area. The real question is how do we implement a multi-family element here, because the other choice is to say no to this project and then we will have vacant space longer and longer without any solution in the foreseeable future. We as the applicants have obviously mistakenly thought we were asking to amend the General Plan and rezone the 8 acres to multi-family, and then we would go to Design Review like most cases do. This Commission and the Council a month ago approved a 15-acre apartment project on Val Vista and Melrose which had a General Plan Amendment and a zoning case in which we did not discuss design. In all fairness, that portion will be coming back to this Commission in a Design Review case. If there was a misunderstanding, he apologized. It is clear there was some disconnect on his side as to what was expected here. He offered a solution of moving the case forward with a recommendation for approval on the General Plan Amendment and zoning case that would establish the multi-family element and add a condition either now or before it goes to Council that when the Design Review case comes back to the Planning Commission, it will include the analysis and the involvement of the land that the owner has between the multi-family and Cooper Road. How do we integrate horizontally these uses? He acknowledged that he missed that point in the discussions with staff. Staff has talked about integration and mixed-use and they have not mentioned vertical. He understood that will not work here. Now they get the picture. He felt what has been missing is some assurance to the staff and to the Town that they won't come back and just talk about the 8 acres. If that is the case, then there is no ability to effectively integrate. He wanted to plant that seed as a possible solution to move the case forward.

Ms. Temes made a very thorough presentation and Mr. Pew wanted to highlight a few topics. He provided an aerial view of the site and the apartment development in place of the vacant 90,000 square feet of retail space. The three-story in the back has a 40-foot limit just like the commercial height limitation. There has been a lot of discussion on how to integrate the multi-family element with the south side of Kohl's. A seamless transition was made between the multi-family portion and the service aisle for the rear portion of the shops. Staff may have some ideas on how to better integrate it and the applicant team is open to that conversation. The staff report recommended denial of this case because multi-family is not consistent with the General Plan. That is right. That is why we do amendments. The proposal is for an amendment that is consistent with portions of the General Plan that call for a community live-work-play environment. That is what they are trying to achieve here. This is not an undeveloped piece of property in a densely populated area with big demographics, multi-modal transportation and entertainment facilities. It is not going to look like that. But it will at least have a start to doing something here that eliminates the abandoned buildings and allows the commercial center to continue to thrive. This project also complies with the language of the General Plan that says to classify land uses in a way that recognizes both the uses and the property and their desired scale. That is exactly what they are doing by taking 8 acres of the 47, scaling it, and utilizing land that right now is completely worthless to anyone; not to the Town, not to the applicant, property owner or the neighbors. Nobody benefits from the way it is today.

Mr. Pew has read the staff report, which is very well laid out, although there is not one reference to the Northwest Corridor Growth Area, which is a high priority to the Town. It is working its way through the processes and will likely become adopted as an implicit plan for this whole Northwest Area that needs revitalizing, and this property is in it. Once the Northwest Area Plan is adopted, then there will likely be plenty of General Plan Amendments coming forward to try to reposition properties to achieve the plan's objectives. The panelists from ULI agreed that there could be an infusion of multi-family housing in order to grow the employment base. One panelist advised rather than discourage multi-family, encourage it and let it drive the employment. Dan Henderson, Economic Development Director, stated that was incredibly insightful. Mr. Pew wished there would have been a reference in the staff report that acknowledged that the applicant was beginning to implement what will need to be done in the long run. It will not solve it all at this time, but this is an important element.

There has been admittedly some confusion on his behalf about a development plan. For several months he and Town Attorney Nancy Davidson worked on the issue of how to create this plan to comply with the legal requirements. Unfortunately, what he as the applicant did not fully grasp was how this development plan will integrate with the rest of the center out to Cooper and north to Kohl's. He asked to move this case forward and condition that they meet with staff to discuss those topics. Ultimately, this case will require Design Review anyway. He hoped that adding that element will bring some peace to this circumstance. Mr. Pew acknowledged why this is no longer viable for retail uses because almost 20% of the nation's economy is done through e-commerce today. In 2007, just as the world was about to fall apart, there was almost 12 million square feet of retail developed in the Valley of the Sun. In 2018, it is in the 700,000 square foot range. There can be no doubt that the continual building of brick and mortar retail is not the same. Within a five-mile radius of this site, there are almost 800 retail shops with 26 million square feet. This project represents three-tenths of one percent of that total. There are 81 retail square boxes within five miles of this site that are vacant. It is time to do something different.

Mr. Pew advised that there were three neighborhood meetings and summaries were sent out to all in attendance. He had not heard from anyone since then, until staff advised that emails were received and the survey monkey was done. They were caught a little unaware. Certainly, they know the neighbors have questions. The traffic study indicates, as Ms. Temes presented, that today there is no traffic on the Cooper side due to this center because no one is there. There is a lot of traffic on Cooper because crossing Baseline coming south from Mesa, it goes from six lanes in Mesa to four lanes in Gilbert. No wonder there's a little bit of a traffic problem, but it is not because of our shopping center. Imagine if the 90,000 square feet that is vacant were developed and functional. It would have almost 4,000 trips a day. The 205 apartment units would generate 1,500 trips. Clearly, what is being proposed would be significantly less from a traffic perspective than fully developed retail. The multi-family apartment site will self-park and meet every parking requirement, and the balance of the retail center has to stand on its own and meet the requirements. This project has done that. There are those in town that feel there are too many apartments. That is because apartment land was planned for years ago and now there is money to build it. Gilbert still has the lowest ratio in the East Valley of multi-family and apartment rental units to single-family. The multi-family element as a whole is somewhere between 10-12%, including condos, townhomes and apartments, and apartments would only be in the 3-4% category, so it is not overwhelming the Town and certainly these 205 units won't either. Ms. Temes had mentioned the letter in support from the Friends for Life animal rescue site. Staff does not disagree that a mixed-use development at this location could meet the intent of the General Plan. He asked the Commission for the chance to prove that and to move this case forward.

Part of the reason Mr. Pew had elected not to come before the Commission a month ago was because they just barely had the exhibits ready. The team had just been in front of the Commission with another apartment case with a General Plan amendment and zoning case without a word from anyone regarding design. The intent was to do the same here and the Commission will see the Design Review soon. Retaining tenants is a complex matter. Sure, the owners bought the center knowing the covenants were there. It is also true that every single power shopping center in the 30-45-acre category with major national tenants has the same type of covenants because Kohl's, Dillard's and other huge users will not locate in an area unless they have that control. Ms. Temes was correct that we chose to buy it anyway, but it is common in the commercial business to have those restrictions.

Mr. Pew urged the Commission to recommend the General Plan approval as the project does implement elements of it and elements of the Northwest Area Growth Plan. He asked for approval of the zoning case adding a stipulation that when it comes back for Design Review, it will involve looking at the land between this project and Cooper Road and the south end of Kohl's, or ask staff to work on a stipulation for Council to consider when they hear this case later this month. Mr. Pew would be happy to address any questions.

COMMISSION QUESTIONS/COMMENTS:

Commissioner Simon advised that he did have a conversation with Mr. Pew this afternoon. He thought part of where things got derailed was in the detailed site plan that was provided. If the applicant was looking for

rezoning and a General Plan Amendment, perhaps coming with a concept versus more of a detailed plan may not have derailed it so much.

Mr. Pew advised that his team worked for months with Planner Nathan Williams focusing on a development plan that was narrowed down to not show parking spaces or landscaping. It took his team three months to just get that in a form that the staff would accept. He acknowledged that it does not contain integration elements. He did not understand that should have been included, but there is a solution.

Commissioner Simon asked if the owner is willing to level the existing building to build multi-family, has there been any thought for any other type of use that would fit within the plan as it sits, perhaps Office or something along those lines.

Mr. Pew stated yes, they have thought about those uses, although they are precluded under the REA and the Declaration of Covenants of the shopping center. Unless Kohl's, TJMaxx, Old Navy, and the rest of the major tenants on Baseline would agree, then office, warehouse, entertainment, or general assembly uses are all precluded and would require the approval of all of those tenants in the front. They will not agree to that as it would not help their businesses at all.

Commissioner September disclosed that the applicant had contacted him and they met last week regarding this proposal. He asked if residential was an allowed use in the REA's the applicant currently has.

Mr. Pew stated residential uses are strictly prohibited. This case was only brought to the town after Mr. Craig spent months working with the critical tenants to approve this element of residential on the site.

Commissioner September noted that integration was not included in the presentation because it is a General Plan amendment and zoning case. He asked what types of integration elements the applicant might entertain.

Mr. Pew stated the whole idea of mixed-use has broad ranging and different definitions in the planning world. Typically, horizontal integration might include walkways, pedestrian gathering areas, landscaped areas, canopies, or different signage. All of those things that begin to make it feel like a center that functions not only for the benefit of the apartment occupants, but the community at large. That may also mean no gates or walls, which there are none in the project today to allow free communication between both sides. It may involve colors and materials and how the buildings would integrate out onto Cooper Road. Those are the discussions he hopes to have moving forward.

PUBLIC COMMENT:

Jennifer Cabral, West Leah Lane, Gilbert, lives fairly close to the shops. She moved here seven years ago from Boston, Massachusetts, and chose Gilbert because it was full of single-family homes, there were a lot of farms around, and because it is so homey. She sees families and kids playing outside, and she feels comfortable in her neighborhood. She chose Gilbert because there are not many multi-family homes or apartment complexes. Back in Boston, those types of complexes are called ghetto. No matter how fancy they make it look, it still brings everything down and does not seem family-oriented. It is not a place where you know your neighbors and visit with your neighbors. She wants to keep that value here. Noise is a huge concern. There is barely any noise in her neighborhood. She does not want to hear that noise from apartments or the increase in police and ambulance sirens that comes with an apartment complex. She has seen that in Boston. She has seen that difference in Tempe and is so thankful to live in Gilbert. Tempe is full of multi-family homes and it looks like a cheap city for college students. She wants to keep Gilbert with low crime and single-family homes, keeping our farms intact, and providing that wonderful community with the openness of the 50's where kids can be outside without fear and where neighbors know and support one another.

Ramsay Ziedan, lives downtown as well as at West Leah Lane in Gilbert and shares many of the same concerns as Ms. Cabral. He appreciated all those who came out to speak. He was opposed to the project. While he understood the need for redevelopment, he believed this could be developed into something else outside of residential. He believed 300 feet was the requirement for notification of a development project. With Kohls and restaurants and only a few residential neighbors on the other side of Cooper, he felt it was unfair as no one was given notice of the meetings so there was not a great turnout. He felt this project will devalue his house and

their living conditions in Gilbert. The decrease in lanes from Mesa to Gilbert will be a big issue later on with more people coming in and out with these 205 units, not to mention more traffic trying to get onto the highway. Those things will make the quality of life less and will increase issues with crime. He felt this could have been handled in a much more communicative way from the applicant's end. He felt the applicant pushing to get approval today without hearing from the rest of the community was a little shady. The community needs to know this is going on and how it will affect everyone outside of just this neighborhood. He felt this project was not a great idea for the community.

Charles Cox, West Merrill Avenue, lives a stone's throw away from this development. He moved here in 1986 in the middle of cotton fields and built America's first high-volume airbag plant. He was a developer in Michigan and got tired of the cold. He felt it interesting that what we are seeing here is exactly what he used to see in Michigan and he was 100% behind the lady from Boston. This will be a rental complex, not condos that are owned, but non-owner occupied. The applicant wants to reduce as much as they can on the amount of landscaping and walls and fencing. In 10 or 15 years, if there are walls and landscape and fencing, at least there will not be line of sight from the Stonehenge single-family across the street. He felt this development was not appropriate and hoped it will not go through.

Laurie Gray, appreciate the opportunity to be the voice for the 139 Survey Monkey respondents. The survey was developed online in a format that could not be amended. All of the responses have been provided with names that can be checked if there is any concern as to whether those people are residents. She went with the Survey Monkey to provide an opportunity for more constructive input from residents. There was participation in neighborhood meetings and she was surprised to hear Mr. Pew say that they did not know of our concerns. At two of the three neighborhood meetings, the concerns were very evident and Ms. Temes listed those concerns in her staff report. With other projects this evening, it was stated that changes to original plans were made working with staff recommendations and based on Study Session discussions. In contrast, tonight we heard that there have been no changes to the original PB Bell plan over the past two years. There have been surprises and mistakes and misrepresentations by the applicant in terms of whether or not changes were made because of not understanding what was required of them. There has been no evidence of honoring the recommendations made by the town's planners, those who we look to for their research, expertise, and their care for our community and the vision set for Gilbert. There was no participation at a Study Session. Others have done all of that. We just heard Mr. Pew talk about what kinds of things integration might look like, although none of those things have been implemented into their plan, or even explored. We understand that retail is changing and the dilemma in getting those retail areas rented out. But we also heard that they believe amendments are something to be used to create change. The residents have purchased homes in these areas without having the opportunity for amendments to zoning or ordinances. We trusted the initial vision for this area and purchased homes that are now selling from the mid \$300's to the upper \$400's in a viable thriving neighborhood with viable thriving schools. There are community members who want to be part of the process and the solution. We would like to keep our dollars in Gilbert on the south side of Baseline Road. To get into all of the restaurants and entertainment on the Mesa side takes forever. We wish those things were on our side of Baseline Road. We invite those responsible for the mall to be part to of our viable thriving community. Ms. Gray volunteered to be part of a working group and recruit others in our neighborhoods to help look for creative solutions for the existing site. She reported that 81.5% of survey respondents wanted more dining, more entertainment, and more retail. She understood the restrictions, but felt if those tenants actually knew how people felt, they would be happy to work together.

Patricia Petteruti, West Encinas, lives a short distance from the proposed multi-family project. When Council appoints people to overview new projects being proposed, she expected them to protect the people who live in the community. She was surprised that the person who purchased the property stated tonight that he was primarily retail experienced, when during the two neighborhood meetings, those proposing this project had a primary focus on multi-family housing. She was hearing a lot of conflicting information in the different presentations. We do need more business and need to support the business aspect of our community. In the past, developers have had a really supportive push from the Planning and Zoning, although in too many instances she has seen that the developer has been given more consideration than the people living actually in

the community. During one of the neighborhood presentations, the developer said they would be here for a period of time and then they will be gone. They come into our community, purchase property, do what they want to do and then leave. So we are left with a lifestyle that has been influenced by people who are here temporarily to do their business activity and we have to live with the result. Right now, Cooper Road is either a parking lot or a speedway. This past week, Ms. Petteruti saw a four-car pile-up on Cooper near the trail crossing light. She stated 50 miles an hour is a common speed on that road. She wondered about the amount of true activity that went into finding commercial to fill those vacancies. The community newspaper reports that businesses are becoming more service-related than product-related. The same newspaper also reported that Gilbert is the number one town in the state for business. She did not understand how they are not able to attract some type of business. There is a craft shop a quarter mile from this site on the Gilbert side that built their own facility. There has to be an effort to maintain this as a commercial site.

Phil Long, West Leah Avenue, Gilbert, appreciated the Commissioners patience and their volunteer work. He understood the financial impact on the property, and that the owners are trying to do the best they can to eliminate some of that hardship. He did oppose this project. He did not want to share their hardship. As a taxpayer and citizen of Gilbert, we have very little retail and commercial in the north part of Gilbert. This is the only super center in the northwest part of Gilbert, and the next closest one is five miles to the east on Higley Road. He asked why this can't be leased if Mesa has no problem on their side and they have stuck with their commercial properties for the last 30 years. In Gilbert, it started with the 1994 General Plan adoption when they rezoned 400 acres of industrial and commercial to residential in his Stonehenge neighborhood. Other areas of Gilbert have been flipped from industrial, commercial, or retail to residential. He keeps thinking when is Gilbert going to learn that you can't take it back. Our tax base is going away and Gilbert is getting close to being built out with housing, and when that cash flow stops, we will have to depend on our commercial, retail, and industrial bases to help support the multi-million-dollar budget. He felt Ms. Temes hit a home run with her presentation and he agreed with everything she stated. He wholeheartedly opposed this project.

Councilmember Peterson recognized Phil Long as a former councilmember for the Town of Gilbert and thanked him for taking the time to speak.

George Keene, West Merrill Avenue, Gilbert, is a 23-year resident of the Stonehenge community across from the Gilbert Commons complex. When he moved here, there was a farmhouse directly across Merrill with a field of alfalfa. He did not mind when Kohl's came in. It has been wonderful to have that retail development and he wished it could continue. He was pleased to live in one of the largest towns in America. It is a great town and he supports it. He has seen a decline in the number of businesses in Gilbert Commons and it is starting to decline on the front side facing Baseline. He saw that the applicant made an amendment to add 47 acres rather than 8, although you can't make a silk purse out of a sow's ear. He felt we need to stick with retail. It is a nice little niche in the corner and there is industrial behind it. The Town is being asked to change all kinds of thing to make way for this development. Other people come in and live with the restrictions, but this developer is not doing that. Mr. Keene spends a lot of money in Mesa right across the street because they have the shops and restaurants there. He noted the Henry's and Leslie's Pool and Sports Authority and all of the others who have moved out. In Seattle, Amazon put up a store with no cashiers. The person running this is not from the neighborhood, but from California. What kind of business can you do from far away? He felt the traffic will be a nightmare, especially for those in that development, and God forbid a train should come as the traffic will really back up.

Vice Chair Bloomfield read the comment cards on this item from those who did not wish to speak. Cards were submitted in opposition to this development from Lucy Carlisle, Vince Fahey, Robert Carlisle, Paul Gray, Donald Wade, Kerry McNeil, Sarah Fahey, and Virginia Pope. Additional cards were submitted in opposition with comments. Donald Wade stated this is the wrong location, there are too many efficiency and one-bedroom units, 60% of the development backs to an industrial park, and the location is a distressed shopping center. Diana Wade commented this was poor utilization of space, it will have an undesirable impact on the neighborhood, there are too many empty rentals already, low-income rentals lower the value of existing homes, it will impact schools that are already at capacity, it will eventually result in higher taxes, and there can be health

issues during demolition. Jeri Barmore stated building apartments is not good and will be a negative move for our neighborhood and schools. Laurel Coughlin stated the current mall management does not market the center and the mall marquis signs are not utilized. Susan and Jeff Gilbert stated this area has enough diverted traffic from downtown Gilbert, the railroad tracks and trains hold up the traffic multiple times a day, there are two new commercial/industrial businesses on Cooper, and it is too much to add to our roadways.

Charles McNeil submitted a card in favor of the project, but did not wish to speak.

Chair Andersen stated there will be a brief recess and when the meeting reconvenes, Mr. Pew will be given an opportunity for rebuttal.

The meeting was recessed at 8:24 p.m. for a brief break.

The Regular Meeting was reconvened at 8:34 p.m.

Mr. Pew wished to give some of his time to Mr. Craig.

Mr. Craig stated that SyWest Development is a private family company; they are not merchant developers that buy and flip. Their intention is to find a long-term solution and they hope to own for a long period of time. He is not in the residential business and that is why they looked for a best in class residential developer who knows the market and has the same family company values. They are not looking to find a solution and then bail.

Mr. Pew stated the residential component of this multi-family project is surrounded on the west side by Light Industrial, it is all Commercial to the south, all Regional Commercial to the north, and single-family on the east side of Cooper Road. He felt you can't find a much better situation to locate multi-family because the buffer to the other side of Cooper Road is over 300 feet and separated by four lanes of traffic. The rest is non-residential uses and they believe it is in a good location. There are always references to crime when multi-family cases come up. With the new style of apartments and the modern choices that people make to live in apartments not because they have to, those crime statistics are not what we think they are. He has been to many many meetings and has not heard anyone say there is desperate crime that happens in these situations. These are real people just like us, and just because someone chooses to live in an apartment does not make them a different human being or change their character. He noted Ms. Cabral's comments about being homey. We love our neighbors and our relationships with them. Ms. Cabral lives 0.8 miles from this site. It will not destroy her ability to have communication and conversations and meaningful relationships with her neighbors at all. Devaluation of property is a very common remark at multi-family cases. Property is appraised based on comparable uses. Apartment projects are based on the value of another comparable apartment project. Apartment projects would not be used to compare the value of single-family homes. It does not deteriorate property values. There is no evidence of that. In terms of traffic, we know Cooper Road has difficulty. This site is not the contributing factor. The traffic is existing today and will exist tomorrow, and what we really need is a study of the signalized intersection at Merrill and Cooper. That can be done through the town engineering department at the right time.

With those brief comments, Mr. Pew did not find, in his opinion, that there is any good reason to say no to this multi-family use because it somehow adversely affects others. It does not and it is well buffered. Mr. Pew asked that the Commission recommend approval to the Council of the General Plan Amendment and zoning with a condition to bring back a broader scope of area for consideration at Design Review.

COMMISSION QUESTIONS/COMMENTS:

Commissioner Cavenee noted Mr. Pew's comments regarding the separation of the multi-family parcel from the rest. He believed there was a statement that there would be no walls or fences. Is that still open for Design Review discussion?

Mr. Pew stated that will be dealt with in the Design Review, but those elements have been discussed with staff. This has been specifically designed to have pedestrian communication between the multi-family and the commercial on Cooper, so they did not design a wall there to isolate this from the commercial. That was not the intent.

Commissioner September asked SyWest in how many states did they have these types of retail properties and have there been similar vacancies that have lasted this long?

Mr. Craig stated in his current position, he has properties in California and in Arizona. In his 20-year career in this field, he has worked in about 34 states. He has never in his career seen vacancies that lasted as long. This is an anomaly. The Inland Group bought the Mesa Fiesta property on Alma School across from Fiesta Mall. They watched it progressively decline, vacancy after vacancy. That is exactly what he is trying to prevent in order to preserve what they have.

Commissioner September asked if SyWest has had to exercise this option and do this type of a request on any other retail properties where a portion was sold off and converted to residential.

Mr. Craig stated he personally has not, although that is happening elsewhere. The company he works for has been around since the 1940's in the Bay area. The highest and best use does change as the neighborhoods grow. They are looking at industrial in some locations, residential in other locations, and office when appropriate. He has never stood before a council and asked to convert retail to residential before. This is a new venture for him.

Commissioner September asked Mr. Craig if there were tenants in that 90,000 square feet, would he be considering this.

Mr. Craig advised he would not. They have had this property since 2012. He knows retailers on a national platform and has a national brokers network working on this. He has met and toured many of the local retailers. This side of the center for some reason has always been looked at as the Bermuda Triangle of retail. We have a tale of two cities with a nearly 100% leased center on one side and a nearly 100% vacant center on the other side. He does not have that anywhere else and never has.

Vice Chair Bloomfield noted this property is currently zoned Regional Commercial (RC) and by right at some point they could have put multi-family as long as it was integrated. Is that correct?

Senior Planner Amy Temes stated as of a few months ago, staff did remove the mixed-use provision within RC, which was a use permit for RC to allow mixed-use integration. As of a few months ago, yes, they could have done it with a Use Permit; however, staff did know that provision was likely going to be removed from the code. Staff was not encouraging applicants to go down that path knowing we were having difficulty with it. Loft living above is allowed in RC by right. As she mentioned in her presentation, the applicant could have done a strip of live-work units and taken advantage using the RC as a transitional buffer between the commercial on Cooper and the multi-family standard behind to the west. That was not where they wanted to go.

Commissioner Mundt understood that the applicant didn't do the Study Session last month because they were not ready, yet it sounded like staff had been working together with the applicant for almost two years. He asked staff for their perspective on why this item was not able to be aired in the Study Session.

Ms. Temes advised that staff can bring an item forward as soon as it comes in as a submittal. She often brings projects through in the first month because she wants input immediately. Sometimes, projects need to be vetted out before bringing it to Study Session. She knows that Nathan Williams had this particular case for over a year, and she and Linda Edwards spoke to the applicant about two years ago. There was ample time to adjust the plan and get the graphics. It could have been brought forward with a conceptual development plan that was still being adjusted. The boundary lines for the rezoning could have been drawn without the official legal description. There was not a hindrance to coming forward to Study Session.

Chair Andersen asked if Study Sessions are required for each case.

Ms. Temes stated they are not. It is at the purview of the applicant and the decision making of the staff or a combination thereof. The applicant stated they didn't want to move forward with a Study Session, and at that point staff knew they were locked in on what they wanted to do with the development plan. Staff was not getting much traction with the integration. Instead of coming forward with a discussion on something that was not going to change very much, the applicant opted to move forward to hearing and let it be vetted out tonight.

Assistant Town Attorney Nancy Davidson stated there was a question as to what was an appropriate condition of approval and what was not. The concern with approving a condition to have Town staff work with the applicant to modify the plan is whether or not it is an appropriate condition. If it is changing an entire plan, possibly. If there is not specific direction as to what the exact condition is, it would place the Town Council in a position where it is having to approve something not knowing whether or not it was something that the Planning Commission would recommend. The role of the Planning Commission is advisory in nature and that is why we have individuals from various backgrounds because the Council does rely on their technical expertise and knowledge. Whatever condition would be approved would need to be very specific. Having staff work with the applicant can work in some instances. If it is to work on something that Council would not know is something the Planning Commission would recommend, that is a concern.

Chair Andersen stated since this is a General Plan and zoning case, we are discussing use of the land. If this goes forward, there is a Design Review process. He felt that is when the site plan issues would be vetted out. He asked when this goes on to Council, is there a site plan attached to the General Plan Amendment and zoning case to show exactly what is being proposed on this land, or is it still a recommendation of use and the design would be figured out later.

Attorney Davidson stated once a development plan is approved with the zoning, it is a zoning right to develop in a specific way under that plan. A lot of developers don't choose to do that, because they might want more flexibility or don't know exactly how it will work. Once it is approved, they do have a right to develop it as we approve it, and they do have to substantially follow the plan. If the zoning is approved, a property owner has the right to develop and the Town cannot put restrictions after the fact that make it next to impossible for them to develop. Once the zoning is approved, it does limit the Town's authority because it has to impose reasonable regulations.

Chair Andersen understood that by right the applicant could do multi-family here if it is loft above. For example, could they do three stories of multi-family and hit the density they want under current by right for RC zoning?

Ms. Temes stated with commercial on the first floor, yes. To clarify, when there is a development plan that is approved as part of an ordinance, staff is obligated to make sure that the DR is in substantial conformance. With the development plan detailed to the level that Nathan Williams had it limited to, it sets where the parking islands are, where breaks in the building are, where connectivity is, and where access is. So the Design Review would be looking at colors, materials, aesthetics, plant materials, and other design elements, but the site plan is pretty much locked in for the footprint and parking field. She was asked earlier why this is being treated like a DR. When there is a development plan involved, if you don't flesh out all those idiosyncrasies of the plan early, there may be additional modifications that need to be requested as part of the rezoning. Mr. Williams had found a number of different things that he recommended to the applicant as changes because later on they could be a problem or a concern. It is not that we want to turn a zoning into a Design Review, but when there is a Development Plan that is being locked in, we have to look at it from a DR standpoint or there will be a problem when it gets to DR and staff will be back here in front of the Commission to modify the zoning.

Chair Andersen felt if that were the case, it would be the applicant's risk to do so.

Ms. Temes stated it is the applicant's risk, but it is a six-month risk if they need to come back to do a rezoning.

Commissioner Mundt asked if there were any conversations between staff and the applicant stating that if they just wanted to look at changing the zoning, to leave that preliminary development plan out because of the limitations we are speaking of now?

Ms. Temes advised that conventional zoning could be done which is straight zoning from the code, but when that is done so close to other uses, it would create a non-conforming situation on the other property and negatively impact its potential in the future. That is where PADs come in play to allow the flexibility to modify standards. The Town should be getting something above and beyond. A PAD is not just for the developer to change what they want. It is for the community to get a better project. What is the community going to

achieve? She understood they would not have vacant properties there, but it needs to be above and beyond. Staff has said from day one that we want something extra special at this location.

With no further questions for staff or the applicant, Chair Andersen closed the public hearing and brought the discussion up to the dais.

COMMISSION DISCUSSION:

Vice Chair Bloomfield appreciated that this center has been vacant for eight years and he also recognized that they are the owners of the property and within reason should be allowed to do whatever they feel is necessary to bring it to its highest and best use in their perspective. They have done a lot of work to try to get to this point. He heard a lot of concerns of neighbors, but it still falls to that crux. They are the owners and it is their property and they can do with it as they see fit within reason. They have followed the process in coming forth tonight asking for a General Plan Amendment and rezoning, even though they could in theory do this by right as long as they made the first floor commercial, which is difficult to do. There is no other reference for a project like this in Gilbert. There is one being built at Agritopia. We did hear from Mr. Pew that a project just like this was heard a couple months ago with a zoning case and General Plan Amendment and the Commission did not worry about the site plan. But somehow this feels different in that there is not nearly as much residential around it and it is not part of a current power center. He was leaning towards recommending approval of the General Plan Amendment and zoning at this point.

Commissioner Cavenee thought it was a miss not to bring this item to Study Session. That would have given the neighbors an opportunity to work through the process a little bit more and not feel like this was being pushed forward without their willingness. He agreed with Vice Chair Bloomfield's thoughts about property ownership. He pointed out that multi-family is a very typical buffer between Industrial/Business Park and Residential. This would not be out of the ordinary on a normal General Plan. He can appreciate the dilemma the developer is having. He has spent much of his career in retail development. He appreciated all of the comments from the neighbors. He tried to envision how he would feel if he lived across the street. Would he want this? The developer has tried a lot of things, he has knocked on a lot of doors and tried to negotiate deals, and he is not getting any traction. Commissioner Cavenee would rather have a vibrant multi-family development rather than a vacant and potentially blighted retail shell. The renderings they have put together and the opportunity they are presenting he felt would be an improvement to the area. He understood that sometimes the stigma of multi-family is not positive. But done right, and we can still control some of that through the DR process, we can bring this up to where it will make everyone feel like there is something really exciting across the street. Mr. Pew did bring up about the traffic and he is very much right that these residential developments bring a lot less traffic than vibrant commercial development. Cooper Road is busy and he does appreciate how bad it can get. Were this a vibrant shopping center, it would be worse. To the point of integration, this is not a multi-family play, and he was not sure integration needs to be a key component of it. It will be nice to put walkways in and perhaps work on exterior finishes and so forth that work together with the existing development. He saw this as more of a lot split redevelopment type experience, rather than an integrated mixed-use player. While it will be important in the DR process to talk about integration, he was not sure we need to drive that home. As we look at some of the renderings, he was not opposed to trying to secure off more of this residential development as long as we keep the flow going between the commercial and residential. That may make the neighbors feel better about it. With the Cooper Road four lanes and with the PAD sites that are in front, there is some added buffer that will create a proper separation like you would see in a typical general planning process. Although he has heard all of the concerns and feels them, he still thought this was a really good opportunity to bring life back to this development. He was in favor.

Commissioner September thanked staff for all their hard work and the applicant for bringing forward what looks like a fairly nice multi-family community. He thanked all of the neighbors who came out to speak. He felt everyone on the dais would like that retail to be retained in that area and he felt all of the neighbors and the owner SyWest, would like that as well. But the fact remains that we live in a world that is changing, and e-commerce is changing the way retail and commercial looks to us. We live in a world where the largest transportation company, Uber, doesn't own a car and the most valuable retailer, Alibaba, has no inventory.

Things are changing and we need to change with it and modify how we have done things historically. He liked the proposed site plan, the layout, the photo simulations, and he liked how it is open. He did not think this would be the last time we will see this type of request here in Gilbert. As e-commerce continues to grow and the brick and mortar buildings continue to be reduced, like this, we need to have a more comprehensive approach and plan to addressing that and to integrate it the way staff has recommended by having mixed uses. There were some good ideas that staff brought forward with the carriage units in the front and potentially having some live-work units. He was torn on how to look at this proposal. There needs to be something besides what is there now, the empty shells of retail space that can't be filled. For almost a decade now they have sat empty. He struggled to weigh that against how we look at this as a Commission and as staff without something that is more integrated into what is there now with the retail.

Commissioner Mundt thought there were a number of very good points brought up. The civic engagement from the community is imperative within our society to help foster these types of discussions and to allow us to vet these things. There was a comment that the Planning Commission seems to pass through to developers. From his perspective, we try to make sure that things are fair from both perspectives as homeowners and land owners. He echoed the sentiments of the rest of the Board that it would be ideal to have this space as retail. He thought it was a proof point that this has been vacant for many years. They are not crying wolf. He felt what they put together in the renderings does look nice and he did not agree exactly with some of the contention that multi-family is a precursor to crime. He did agree that there are certain areas where multi-family or apartments or HUD housing are crime related, but you can't make that distinction to say that it is definitively going to happen. The blight of having massive box stores that are vacant would be much more of an attraction to vagrants or other unseemly people that would not be attracted to multi-family. This is a very difficult decision and he relies a lot on the staff because he has a lot of faith in them. The fact that they are not recommending it does give him some pause. He also felt that there is a viable alternative to what is there and believed some of the detrimental effects won't be quite as magnified in pursuit of this as it has been laid out. He won't say definitively whether he is for or against this project because he is still contemplating that.

Vice Chair Bloomfield caught the end of the ULI panel discussion on the Northwest Growth Area and how to work on that, especially through our General Plan that is coming forward. Mr. Pew summarized what was really said in that panel that multi-family should be embraced in this area. Right behind this site is a Light Industrial area that is largely vacant and has been for many years. That won't change unless something changes. One of their recommendations was to embrace multi-family to bring people into the area. More people, more bodies, equals more business and more support for the existing businesses and more opportunities to not have to drive so far. You can put Light Industrial back there and have workers that live there in the apartments. It makes sense, but at the same time, Amy Temes is the best of planners and the best at presenting and he appreciated the work and effort that she puts forward. He sees her concerns; he just doesn't know how to resolve all the concerns and it didn't sound like anyone else did either. He will err on the side of property rights and let this move forward.

Commissioner Simon had the opportunity to sit down with Amy Temes today and he appreciated the time. He also talked to Mr. Pew today on the phone and has seen this presentation a few times in different facets. He struggled mightily with what the right decision is. From a homeowner perspective, he can see the fear of what this potentially could do, but he also understood that from a retail perspective, the retail is going to drive much more traffic than residential. He would err on the side for the residential in this situation because the traffic will be much less. That being said, he felt like we were being locked into a footprint that hasn't necessarily been well vetted. We are being asked to consider a General Plan Amendment and a downzoning with an actual build already attached to it that he does not feel has been well received by staff or well vetted. He wondered if there are other opportunities for this. He was not necessarily saying that residential in this specific situation is not good. He actually thought that it would revitalize the area, and he has a lot of questions of how we can make that happen. From a business perspective, as a business owner, and knowing what drives the community once the build out is reached, we need to take this decision very seriously. At this point, he was still wavering in terms of which direction he is heading.

Commissioner September felt this could have been an opportunity for the applicant to work with staff to come up with a design that is more integrated with mixed-use that helps retain some of Gilbert's retail while adding this residential component that he thought was positive because it brings people to the retail areas around it. He wished this could have been a better example of something great that we could duplicate in other places and that other cities could look at and want to follow. But it has not worked out that way so far.

Commissioner Smith appreciated Vice Chair Bloomfield's comments about the Northwest Character Area. He was going to make that same comment. It might have been an oversight on the part of the staff not to include that in the full analysis because he felt it carries some real merit.

Commissioner Cavenee noted that by allowing this developer to do what they see as the best use here, they will pump a ton of capital into this property to improve it. That can't be overlooked. We are struggling over the use, but in the end, it will be this brand-new shiny development with a lot of money in it. He would not overlook that, especially as we deal with the Northwest Character Area and the desire to bring that up and make it special.

Chair Andersen stated the site is currently zoned RC and by right the applicant could build their multi-family product here as a loft above. But what would that solve? It has already been proven that commercial or retail is just not working in this area. If they were to build by right that loft above and try and lease out those bottom units, it just sounds like it won't happen. The current land owner has been trying to do that for the last 10 years unsuccessfully. Ms. Temes and Mr. Pew and the town engineer have all confirmed that multi-family will not impact the traffic on Cooper Road as much as the current retail. He read a newspaper article a few months ago regarding the demand for apartments. There is a reason why apartment building has been so hot on the market for the last 10 plus years. It is because there is such a flux of people moving to Arizona and in particular to the Valley. The article stated there are 200 people moving here every single day. They are projecting within the next 10 years, there will be a demand for another 120,000 apartment units to house all of these people that are moving here. A lot of the apartment builders are designing and building Class A apartment communities as they have to compete with one another to get these tenants to live there. He understood that apartments have a very bad stigma that unfortunately has probably been carried over from the 80's, but they have advanced so much over the years. There is a demand for them now and there will be a demand for them for the next 10 years whether we like it or not just with the influx of people that are moving here.

With no further comments, Chair Andersen called for a motion.

MOTION: Commissioner Cavenee moved to recommend to Town Council **approval** of GP19-05 PB Bell, a Minor General Plan Amendment, to change the land use classification of approximately 8.63 acres, generally located south of the southwest corner of Cooper and Baseline Roads from Regional Commercial (RC) to Residential >14-25 DU/Ac land use classification; second by Vice Chair Bloomfield. **Motion carried 5-2 with Commissioners September and Simon opposed.**

MOTION: For the reasons set forth in the staff report, Commissioner Cavenee moved to recommend **approval** to the Town Council for Z19-15 PB Bell, as requested, subject to the conditions listed in the staff report; second by Commissioner Smith. **Motion carried 5-2 with Commissioners September and Simon opposed.**

Chair Andersen thanked everyone who spoke in opposition to this item and appreciated their participation. This item will move on to Town Council and there will be another chance to voice concerns and opposition at that hearing on March 24, 2020.

18. GP19-10 THE BUNGALOWS ON RAY: Request for Minor General Plan Amendment to change the land use classification of approx. 16.62 acres generally located at the northwest corner of Ray Rd. and San Tan Village Pkwy., from Community Commercial (CC) to Residential >8-14 DU/Acre.

19. Z19-22 THE BUNGALOWS ON RAY: Request to rezone approx. 16.62 acres generally located at the northwest corner of Ray Rd. and San Tan Village Pkwy. from Community Commercial (CC) to Multi-Family-Low (MF-L) zoning district with a Planned Area Development overlay zoning district (PAD).

STAFF RECOMMENDATION

- A. Recommend to the Town Council approval of GP19-10, to change the land use classification of approx. 16.62 acres, generally located at the northwest corner of Ray Rd. and San Tan Village Parkway from Community Commercial (CC) to Residential > 8-14 DU/Acre land use classification; and
- B. For the following reasons: the development proposal conforms to the intent of the General Plan and can be appropriately coordinated with existing and planned development of the surrounding areas, and all required public notice and meetings have been held, the Planning Commission moves to recommend approval of Z19-22 rezoning approx. 16.62 acres, generally located at the northwest corner of Ray Rd. and San Tan Village Parkway from Community Commercial (CC) to Multi-Family/Low (MF/L) with a Planned Area Development (PAD) overlay, subject to the following conditions:
 - a. Dedication to Gilbert for Ray Road and San Tan Village Parkway rights-of-way that are adjacent to the Property shall be completed prior to or at the time of recordation of the final plat or sooner as required by the Town Engineer. Failure to complete dedication prior to the effective date of this ordinance may result in reversion of the zoning to the prior zoning classification.
 - b. Dedication of Ray Road and San Tan Village Parkway shall extend 70 feet from the monument line.
 - c. Construction of off-site improvements to Ray Road and San Tan Village Parkway adjacent to the Property shall be completed prior to issuance of a certificate of occupancy or final approval of any unit or building constructed on the Property or at the time requested by Gilbert, whichever is earliest.
 - d. At the written request of Gilbert, Developer shall dedicate all necessary easements for the roadway improvements, including easements for drainage and retention and temporary construction easements. Failure to dedicate said easements within thirty (30) days after the date of Gilbert's written request may result in the reversion of the zoning of the Property to the prior zoning classification.
 - e. **To the extent that any landscaping, open space, recreational facility, private street, utility, or other facility is held in common ownership,** Developer shall create a **Property Home** Owner's Association (PHOA) for the ownership, maintenance, landscaping, improvements and preservation of **said areas as required by the Town of Gilbert Land Development Code."** ~~all common areas and open space areas, of the landscaping within the rights of way, and of the landscaping within the SRP Easement adjacent to the Property.~~
 - f. **To the extent that any landscaping, open space, recreational facility, private street, utility, or other facility is held in common ownership,** Developer shall record easements to be owned by the POA for pedestrian, bicycle, or trail system purposes at the time of final plat recordation, or earlier if required by the Town Engineer. ~~In recognition of the modifications to the underlying zoning regulations set forth herein, such easements shall be open to public access and use.~~
 - g. Prior to final plat approval, Developer shall pay for its proportional share of water and sewer mains benefitting the Property, as required by the Town Engineer.
 - h. The Project shall be developed in conformance with Gilbert's zoning requirements for the zoning districts and all development shall comply with the Town of Gilbert Land Development Code, except as modified by the following:

Site Development Regulations	Proposed MF/L PAD
Maximum Height (ft.)	25'/1 story
Separation between Buildings (ft.) Single or two story	10' *

- * The development standards above shall govern, except that the building separation standard can be reduced by the building or fire code officials. Minor modifications to the configurations on the site plan shall be approved by the Planning Manager. All buildings shall comply with building codes and fire codes, which may result in a loss of units.
- i. The maximum number of dwelling units shall be limited to the maximum allowed under the Gilbert General Plan.
- j. Prior to the first certificate of occupancy for the Project, Developer shall record a restrictive covenant on the Property as well as requiring a provision in the lease agreement with future tenants, that requires garages be used by residents for vehicle parking. Enforcement of the parking restrictions described in this condition shall be the responsibility of the POA or the Developer's designated property manager. Nothing in this condition shall be interpreted to restrict emergency vehicles or to prohibit the parking of public service and public safety emergency vehicles pursuant to A.R.S. § 33-1809.

Planner Keith Newman presented GP19-10 and Z19-22 The Bungalows on Ray, request for a minor General Plan Amendment from Community Commercial (CC) to Residential >8-14 DU/Acre and a PAD rezone from CC to Multi-Family Low. The site is located at the northwest corner of San Tan Village Parkway and Ray Road. The requested changes are to allow this developer to be able to construct a 159-unit single story multi-family apartment complex. This case came before the Commission in January with a few zoning modifications from the Land Development Code. This is the same exact development plan as was presented in January. There was one major concern regarding the secondary access for emergency purposes. The applicant has addressed that by providing an emergency access location out to San Tan Village Parkway close to the intersection with Ray Road. Staff has requested a PAD modification, and the applicant has agreed, to limit the buildings to one story due to a comment made at the neighborhood meeting by the adjacent neighbors to the west. The applicant is requesting a modification to reduce the separation between buildings from 20 feet to 10 feet to allow the garage units in the parking lot that will be 10 feet from certain units. A similar situation was seen with The Bungalows on Ash.

Staff requests a recommendation for approval to the Town Council for the minor General Plan Amendment and PAD rezone. The applicant, Mr. Sean Lake, was in attendance to address any questions.

COMMISSION QUESTIONS/COMMENTS:

Commissioner Cavenee asked staff for the location of the secondary egress and asked about the grade. Mr. Newman pointed out the secondary emergency access on the site plan and confirmed that there were no issues with the grade.

Commissioner Smith asked for confirmation that the secondary access was for emergency use only. Mr. Newman confirmed that was correct. It is for emergency use only and will have a decomposed granite surface with a gate that will be locked and only accessible by the Fire Department.

The applicant, Sean Lake, asked to hold his presentation until after public comments.

PUBLIC COMMENT:

Mike Connor, South 156 Place, has lived in his house adjacent to the subject property for 44 years and has lived in Gilbert for 72 years. He previously served on the Gilbert Planning and Zoning Board and the Council. He was not opposed to this project, but did not see that staff has made any recommendations on the concerns raised in the neighborhood meeting related to irrigation, the brick wall, SRP easement, and a few other concerns. He knows about urban sprawl and understood that he can't always live on a farm. Most of his neighbors would agree that if the concerns brought up in the neighborhood meeting are addressed, they would be more than happy to support this project. He did not see that staff had addressed their concerns.

Commissioner Mundt asked Mr. Connor to elaborate on those concerns that were not addressed.

Mr. Connor located his acre-lot horse property adjacent to the site on the development plan. He showed the path of the irrigation coming in from the head gate and through the subject site to the adjacent properties. Unless this project does something with the ditch, it will be flooded out every time the irrigation is used. The 8-foot brick wall will fall over if the ditch is not put into pipe underground. This issue has not been addressed. Previously, the plan was for two stories looking down on his property and that has been changed to one story. He would rather have this project the way it is now than some of the others he has seen. He was told by an SRP employee that the power line runs along the ditch and the easement is located on the subject property. Those houses will be right up against that easement area so how will SRP be able to access it?

Commissioner Mundt did not believe SRP would allow something to be built in their easement. He asked staff to respond to that concern after all of the public comments have been heard.

Michael Wood submitted a card in favor of the project and deferred his time to Mr. Lake.

Sean Lake, Lake & Pew, PLC, on behalf of Cabin Development, stated that Mr. Wood is the property owner and has had this property for about 12 years. Mr. Wood has tried to do a lot of different projects over the years and has worked with the neighbors, many of whom have been an outright no. This is one project that could work. Many of the concerns will be resolved during the site planning process, Item 20, which will be continued to the May hearing. An 8-foot brick wall along the west part is included as a condition of approval in the staff report. That wall was requested by the neighbors at the neighborhood meeting. In reviewing the ALTA survey, the irrigation ditch is not on this property, but on the adjacent property. Mr. Lake can work with the neighbors between now and the Design Review (DR) to look at that. The ALTA survey shows that the SRP line is not on this property and would be on the other side of that wall. That is also something that can be worked on with the neighbors during the DR application.

Mr. Lake stated in terms of accessibility, we cannot inhibit the irrigation rights and will have to take care of undergrounding or relocating head walls or irrigation ditches as well as the power. If SRP has an easement, they will have that right indefinitely and the applicant team will continue to work with them on that. It is a good project for a single story single-family detached residential project. It is a gated community with high rents in a nice facility. Mr. Lake has worked a lot with staff to create a design that works. This is a challenging site as it has limited accessibility. As you take the road that goes underneath the railroad, there is a huge grade separation coming up San Tan Village Parkway to this site and there is limited access along Ray Rd as well. The owner has tried to develop it with a number of different things over the years. This was the first one that the neighbors liked as it is single story with a limitation on the height and an 8-foot wall. Mr. Lake is committed to providing the 8-foot wall and made sure it was included in the application. He vowed to work with the neighbors to review the ALTA survey and look at the irrigation and the SRP easement issues. He hoped the Commission will recommend support of items 18 and 19, and a continuance for item 20 to the May 6, 2020 hearing.

COMMISSION QUESTIONS/COMMENTS:

Commissioner September understood that the neighbor had a concern about the easement for SRP water and how that will be addressed. He asked staff if that was something that can be addressed when this project comes up for the Design Review component.

Planner Keith Newman stated that is correct. The Design Review case has already been submitted and staff is working through that right now. Staff has received the grading, drainage, and utility plans. When this project comes back before the Planning Commission in May after the zoning hearing with Council in April, staff will present what has been worked out as far as re-engineering those elements.

Commissioner September asked if staff was aware of these issues.

Mr. Newman stated yes, those issues were brought up at the neighborhood meeting and staff has made it very clear in the first review comments to the applicant that they have to address these issues, and they are being worked on right now.

Commissioner Mundt believed if SRP has an easement, that anything we say or do here would not have any impediment to them enforcing it. He asked if staff could confirm that.

Mr. Newman was not exactly sure where that easement was located, but according to Mr. Lake, it is not even on the property. Mr. Newman has not seen it on the ALTA survey. He hoped the applicant would be able to work with SRP to relocate that if it is on the property. That is something we can take a deeper look at, but he was confident that was an issue that can be resolved if it actually is on the property and needs to be relocated for the benefit of the adjacent land owners.

Commissioner Mundt stressed to the community members raising the concern that a developer would be implored by law to have the water delivered to the customers. They would have to either put that underground or enhance it in some way so as not to disrupt that service. He felt it was more of a timing issue that would be in the drainage design or layout that would be handled through the Design Review, which may be why it was omitted at this point.

Mr. Newman stated that was correct and staff is working through that right now with the DR application.

Chair Andersen closed the public hearing. He was notified that there was one more question and he reopened the public hearing.

Charlene Conner, South 156 Place, reviewed the path of the irrigation ditch on the site plan and pointed out where the head gate should have been placed in order to have a straight shot.

Mr. Newman assured the neighbors that the irrigation would be relocated per the RWCD to the southeast corner in order to have a straight shot so that service can continue. That will be approved through the Design Review application. That is being worked on now.

Chair Andersen closed the public hearing and brought the discussion up to the dais.

Commissioner September advised that he was contacted by the applicant on this proposal and their plans were shared with him earlier this week.

With no further discussion, Chair Andersen called for a motion.

MOTION: Vice Chair Bloomfield moved to recommend to Town Council approval of GP19-10, a Minor General Plan Amendment; second by Commissioner September. **Motion carried 7-0.**

MOTION: For the reasons set forth in the staff report, Vice Chair Bloomfield moved to recommend approval to the Town Council for Z19-22, as requested, subject to the conditions listed in the staff report.

Planning Division Manager, Eva Cutro, asked that the motion reference the modification to Condition J as provided in the staff handout.

AMENDED MOTION: For the reasons set forth in the staff report, Vice Chair Bloomfield amended his motion to recommend approval to the Town Council for Z19-22, as requested, subject to the conditions listed in the staff report, with a modification to the last sentence of Condition J to read as follows: "Nothing in this condition J shall be interpreted to restrict the Town from enforcing the parking restrictions described in this condition, to restrict emergency vehicles, or to prohibit the parking of public service and public safety emergency vehicles pursuant to A.R.S. §33-1809; second by Commissioner Cavenee. **Motion carried 7-0.**

20. DR19-152 THE BUNGALOWS ON RAY: site plan, landscape, grading and drainage, elevations, floor plans, lighting, colors and materials for approx. 16.62 acres, generally located at the northwest corner of Ray Rd. and San Tan Village Pkwy., and zoned Community Commercial (CC).

STAFF RECOMMENDATION:

Move to continue DR19-152 Bungalows on Ray to May 6, 2020.

MOTION: Commissioner Smith moved to continue DR19-152 Bungalows on Ray to May 6, 2020; seconded by Commissioner Mundt. **Motion passed 7-0.**

ADMINISTRATIVE ITEMS

- 21. Planning Commission Minutes** - Consider approval of the minutes of the Study Session and Regular Meeting of February 5, 2020.

MOTION: Vice Chair Bloomfield moved to approve the minutes of the Study Session and Regular Meeting of February 5, 2020; seconded by Commissioner Smith. **Motion passed 7-0.**

COMMUNICATIONS

22. Report from Chairman and Members of the Commission on current events:

Commissioner Mundt reported that his right arm tendon is healing well and he will be back to ninja warrior activities in no time.

Chair Andersen thanked Commissioner Smith for his time served on the Commission. It has been a pleasure serving with him. He wished Commissioner Smith the best of luck on his upcoming mission.

Commissioner Cavenee seconded those sentiments.

Commissioner Les Smith appreciated the opportunity to serve on the Commission.

23. Report from Planning Services Manager on current events:

Eva Cutro thanked Commissioner Smith for his service to the Town. She noted that the meeting was dragged out just to keep him on the Commission as long as we possibly could.

ADJOURNMENT

Chair Andersen adjourned the Regular Meeting at 9:42 p.m.

Brian Andersen, Chairman

ATTEST:

Dana Desing, Recording Secretary